

Court File No. CL-26-00000153-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

THE TORONTO-DOMINION BANK

Applicant

- and -

NOVO PLASTICS INC. and 2139654 ONTARIO LIMITED

Respondents

**APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, C. B-3, AS AMENDED AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, C. C.43, AS AMENDED**

**APPLICATION RECORD – VOLUME I OF II
(First returnable at a 9:30 a.m. scheduling appointment on a date to be scheduled)**

April 14, 2026

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Lawyers for The Toronto-Dominion Bank

TO: SERVICE LIST

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TAB 1



Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
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(Court seal)

NOTICE OF APPLICATION

TO THE RESPONDENTS

A LEGAL PROCEEDING HAS BEEN COMMENCED by the applicant. The claim made by the applicant appears on the following page.

THIS APPLICATION will come on for a hearing

- ☐ In person
- ☐ By telephone conference
- ☒ By video conference

for scheduling purposes before a Judge presiding over the Commercial List on a date to be scheduled, or as soon after that time as the matter can be heard, via Zoom coordinates to be provided by the court.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of

Civil Procedure, serve it on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: April 9, 2026

Issued by
Local registrar

Address of court office 330 University Avenue
Toronto, ON M5G 1R7

TO: SERVICE LIST

APPLICATION

1. The applicant, The Toronto-Dominion Bank (“**TD Bank**”), makes application for an Order that:

- a) if necessary, abridges the time for service and filing of this notice of application and the application record or, in the alternative, dispenses with and/or validates service of same;
- b) appoints Deloitte Restructuring Inc. (“**Deloitte**”) as receiver of the assets, undertakings and properties of each of Novo Plastics Inc. (“**Novo**”) and 2139654 Ontario Limited (“**213**” and, together with Novo, the “**Debtors**”) acquired for, or used in relation to any business(es) carried on by the Debtors and all proceeds thereof (collectively, the “**Property**”), including, without limitation, the real property municipally known as 388 Markland Street, Markham, Ontario, and legally described under PIN 03047-0057 (LT) (the “**Real Property**”); and
- c) grants such further and other relief as is just.

2. The grounds for the application are:

- a) the Debtors are privately held and incorporated under the Ontario *Business Corporations Act*, with a registered head office at the Real Property in Markham, Ontario;
- b) as described below, the Debtors and TD Bank entered into a Forbearance Agreement (as defined below) pursuant to which the Debtors irrevocably attorned to the exclusive jurisdiction of the Superior Court of Justice of the Province of Ontario in the City of Toronto;
- c) Novo is an operating company which manufactures plastic components and products for various industries;
- d) 213 is the registered owner of the Real Property;

- e) the Debtors are indebted to TD Bank in connection with certain credit facilities (the “**Credit Facilities**”) made available to them pursuant to and under the terms of the credit agreement entered into between TD Bank and the Debtors dated December 19, 2024 (as may have been amended, replaced, restated or supplemented from time to time, the “**Credit Agreement**”);
- f) the obligations of each of the Debtors to TD Bank are cross-guaranteed pursuant to the following guarantees (together, the “**Guarantees**”):
 - i) the unlimited guarantee granted by 213 in favour of TD Bank dated June 20, 2025 regarding the obligations of Novo to TD Bank; and
 - ii) the unlimited guarantee granted by Novo in favour of TD Bank dated January 6, 2023 regarding the obligations of 213 to TD Bank.
- g) as security for the Debtors’ respective obligations to TD Bank, the Debtors provided security in favour of TD Bank (collectively, the “**Security**”), including, without limitation:
 - i) the general security agreement dated January 6, 2022 granted by Novo in favour of TD Bank (the “**Novo GSA**”), registration in respect of which was made under the *Personal Property Security Act* (Ontario) (the “**PPSA**”), and which grants TD Bank, amongst other things, a security interest in any and all of Novo’s assets, undertakings and property;
 - ii) the general security agreement dated January 6, 2022 granted by 213 in favour of TD Bank (together with the Novo GSA, the “**GSAs**”), registration in respect of which was made under the PPSA, and which grants TD Bank, amongst other things, a security interest in any and all of 213’s assets, undertakings and property;
 - iii) the first charge/mortgage in the principal amount of \$26,500,000 granted by 213 in respect of the Real Property, which was registered on title thereto on January 10, 2023; and

- iv) the specific assignment of leases granted by 213 in favour of TD Bank in respect of 213's lease of the Real Property to Novo, which was registered on title thereto on January 10, 2023;
- h) TD Bank is the only registered secured creditor on title to the Real Property;
- i) the PPSA search results for the Debtors reflect 32 different registration families in the aggregate, in each case including, without limitation, a PPSA registration in favour of TD Bank against all collateral classifications other than consumer goods (the "**General TD Registrations**"). Each of the other PPSA registrations against Novo and 213 appear to be limited on its face to certain equipment/motor vehicles, some of which are also registered after the applicable General TD Registrations. The General TD Registrations appear to be the only all-asset registrations against the Debtors;
- j) certain of the Credit Facilities are repayable on demand, and in addition, one or more Event of Default (as defined in the Credit Agreement) has also occurred, including, without limitation, certain defaults set out in default letters issued to the Debtors dated May 5, 2025, May 23, 2025 and June 17, 2025, as follows and without limitation:
 - i) failure to maintain the requisite Debt Service Coverage ("**DSC**") Ratio under the Credit Agreement of not less than 120% for the period ending March 31, 2025, at which time the DSC was calculated to be 0.75x;
 - ii) failure to comply with the borrowing base calculation under the Credit Agreement, which is tested on a monthly basis, for the periods ending April, May, June, July, August and September 2024, and March and April 2025. As at April 30, 2025, the borrowing base shortfall was calculated to be \$1,080,000; and
 - iii) payment defaults for the month of May 2025 totalling \$499,704.42, as follows:

- 1) arrears of \$132,632.65 and \$7,410.98 in respect of certain term facilities under the Credit Agreement;
 - 2) arrears of \$2,239.73 in respect of the SRED operating facility under the Credit Agreement;
 - 3) arrears of \$29,325.54 in respect of the TD Equipment Finance line under the Credit Agreement; and
 - 4) arrears of \$328,095.52 in respect of the business VISA line under the Credit Agreement;
- k) on June 19, 2025, TD Bank proceeded to make formal written demand on the Debtors for the amounts owed to TD Bank under the Credit Agreement and the Guarantees, as applicable (collectively, the “**June Demand Letters**”). Notices of intention to enforce security pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”) accompanied the June Demand Letters sent to the Debtors;
- l) on June 19, 2025, TD Bank entered into a forbearance agreement with the Debtors (the “**Forbearance Agreement**”) pursuant to which the Debtors, *inter alia*, (i) irrevocably attorned to the exclusive jurisdiction of the Superior Court of Justice of the Province of Ontario in the City of Toronto, (ii) acknowledged certain existing defaults, (iii) acknowledged the Indebtedness (as defined below), the Credit Agreement, the Security and the Guarantees, and (iv) committed to delivering to TD Bank by no later than July 15, 2025 a fully executed commitment letter evidencing sufficient funding to repay the Indebtedness in full on or before the end of the Forbearance Period (as defined by the Forbearance Agreement, being August 15, 2025);
- m) as set out in the Forbearance Agreement, CAD \$28,423,264.25 plus USD \$305,971.05 was owing by the Debtors to TD Bank for principal and interest as of June 17, 2025, plus accruing interest and costs (collectively, the “**Indebtedness**”);

- n) numerous defaults occurred under the Forbearance Agreement which would have entitled TD Bank to forthwith terminate the Forbearance Agreement, and in any event, the Forbearance Period expired in the ordinary course on August 15, 2025 without full repayment of the Indebtedness being made to TD Bank;
- o) on August 27, 2025, with the Forbearance Agreement no longer in effect and the Indebtedness remaining outstanding and continuing to accrue interest and costs, TD Bank proceeded to issue fresh formal written demands on the Debtors for the payment of the amounts owed to TD Bank under the Credit Agreement and the Guarantees, as applicable (collectively, the “**August Demand Letters**”). Fresh notices of intention to enforce security pursuant to subsection 244(1) of the BIA accompanied the August Demand Letters sent to the Debtors;
- p) on October 10, 2025, TD Bank entered into a forbearance extension agreement with the Debtors (the “**Extension Agreement**”) which extended the Forbearance Period under the Forbearance Agreement to an outside date of November 15, 2025, subject to certain terms and conditions contained in the Extension Agreement;
- q) on November 15, 2025, the Forbearance Period again expired without full repayment of the Indebtedness being made to TD Bank;
- r) TD Bank has been in regular contact with the Debtors through their principal during the course of the foregoing events. The Debtors have continually represented that a refinancing is imminent, yet no such refinancing has materialized;
- s) more than four months have passed since the expiration of the Forbearance Period, and the Indebtedness remains outstanding;
- t) at this stage, as the August Demand Letters have not been honoured and the Debtors have repeatedly failed to meet their commitments to TD Bank, including, without limitation, those under the Forbearance Agreement and Extension Agreement, TD Bank considers that the only reasonable and prudent path forward is to take any and all steps necessary to protect the Property by having a receiver appointed, and it is within TD Bank’s rights under its Security to do so;

- u) it is just and equitable that a receiver be appointed. A receiver is necessary for the protection and monetization of the Property;
- v) Deloitte has consented to being appointed as the receiver;
- w) Deloitte is a licensed insolvency trustee and is familiar with the circumstances of the Debtor and its arrangements with TD Bank;
- x) the other grounds set out in the affidavit of Sicheng Lou, to be sworn in support of the within application (the “**Lou Affidavit**”);
- y) subsection 243(1) of the BIA;
- z) section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
- aa) rules 1.04, 2.01, 2.03, 3.02, 16, 38 and 41 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and
- bb) such further grounds as are required and this Court may permit.

3. The following documentary evidence will be used at the hearing of the application:

- a) the Lou Affidavit;
- b) the consent of Deloitte to act as the receiver; and
- c) such other material as is required and this Court may permit.

April 9, 2026

AIRD & BERLIS LLP

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Lawyers for The Toronto-Dominion Bank

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NOVO PLASTICS INC. and 2139654 ONTARIO LIMITED

Applicant

Respondents

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceedings commenced at Toronto

NOTICE OF APPLICATION

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Lawyers for The Toronto-Dominion Bank

TAB 2

Court File No. CL-26-00000153-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE

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<*>, THE <*>

JUSTICE

DAY OF <*>, 2026

B E T W E E N:

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COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by The Toronto-Dominion Bank (“**TD Bank**”) for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing Deloitte Restructuring Inc. (“**Deloitte**”) as receiver (in such capacity, the “**Receiver**”) without security, of all of the assets, undertakings and properties of each of Novo Plastics Inc. (“**Novo**”) and 2139654 Ontario Limited (together with Novo, the “**Debtors**”) acquired for, or used in relation to any business(es) carried on by the Debtors, including, without limitation, the real property municipally known as 388 Markland Street, Markham, Ontario, and legally described under PIN 03047-0057 (LT) in LRO # 65 as PCL 19-6, SEC MA3; PT LT 19, CON 3 (MKM), PART 1, 65R18445, MARKHAM (the “**Real Property**”) was heard this day by judicial videoconference via Zoom.

ON READING the affidavit of Rose Lou sworn April 10, 2026 and the Exhibits thereto, and on hearing the submissions of counsel for TD Bank, and such other counsel as were present, no one appearing for any other stakeholder although duly served as appears from the affidavit of service, filed, and on reading the consent of Deloitte to act as the Receiver, filed,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the notice of application and the application record is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, Deloitte is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to any business(es) carried on by the Debtors and all proceeds thereof, including, without limitation, the Real Property (collectively, the “**Property**”).

RECEIVER’S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate and carry on the business(es) of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the names and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
 - (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - i. without the approval of this Court in respect of any transaction not exceeding \$200,000, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; and
 - ii. with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;
- and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
 - (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
 - (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property, including, without limitation, the Real Property;

- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the names of the Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver’s request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or

affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person’s possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords (if any) with notice of the Receiver’s intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver’s entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this

Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtors, the Receiver or affecting the Property are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any “eligible financial contract” as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including, without limitation, the sale of all or any of the Property, and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtors, if any, shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalfs, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in

respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA AND ANTI-SPAM LEGISLATION

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

16. **THIS COURT ORDERS** that any and all interested stakeholders in this proceeding and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in this proceeding, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to such other interested stakeholders in this proceeding and their counsel and advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release

or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act* or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER’S LIABILITY

18. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER’S ACCOUNTS

19. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the “**Receiver’s Charge**”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver’s Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

20. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Ontario Superior Court of Justice (Commercial List).

21. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

22. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$1,000,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “**Receiver’s Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

23. **THIS COURT ORDERS** that neither the Receiver’s Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

24. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule “A” hereto (the “**Receiver’s Certificates**”) for any amount borrowed by it pursuant to this Order.

25. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

26. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial>) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure* (the "Rules") this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules. Subject to Rule 3.01(d) of the Rules and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol and shall be accessible by selecting the Debtors' names from the engagement list at the following URL: <https://www.insolvencies.deloitte.ca/en-ca/Pages/Search-Insolvencies.aspx>

27. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

28. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. **THIS COURT ORDERS** that the Receiver may retain solicitors to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order. Such solicitors may include Aird & Berlis LLP, solicitors for the Applicant herein, in respect of any matter where there is no conflict of interest. The Receiver shall, however, retain independent solicitors in respect of any legal advice or services where a conflict exists or may arise.

30. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

31. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

32. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

33. **THIS COURT ORDERS** that TD Bank shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of TD Bank's security or, if not so provided by TD Bank's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estates with such priority and at such time as this Court may determine.

34. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party

likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

35. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of today's date and are enforceable without the need for entry or filing.

SCHEDULE “A”
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Deloitte Restructuring Inc., the receiver (the “**Receiver**”) of all of the assets, undertakings and properties of Novo Plastics Inc. and 2139654 Ontario Limited (together, the “**Debtors**”) acquired for, or used in relation to any business(es) carried on by the Debtors, including all proceeds thereof (collectively, the “**Property**”), appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated the <*> day of <*>, 2026 (the “**Order**”) made in an application having Court file number CL-26-00000153-0000, has received as such Receiver from the holder of this certificate (the “**Lender**”) the principal sum of \$ _____, being part of the total principal sum of \$1,000,000 which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

Deloitte Restructuring Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

THE TORONTO-DOMINION BANK

- and -

NOVO PLASTICS INC. and 2139654 ONTARIO LIMITED

Applicant

Respondents

Court File No. CL-26-00000153-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

APPOINTMENT ORDER

AIRD & BERLIS LLP

Barristers and Solicitors

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Lawyers for The Toronto-Dominion Bank

TAB 3

Revised: January 21, 2014
~~s.243(1) BIA (National Receiver) and s. 101 CJA (Ontario) Receiver~~

~~Court File No. —~~

Court File No. CL-26-00000153-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE —) ~~WEEKDAY~~ ~~<*>~~, THE # ~~<*>~~
)
)
JUSTICE —) DAY OF ~~MONTH, 20YR~~ ~~<*>~~, 2026
)

B E T W E E N:

THE TORONTO-DOMINION BANK

PLAINTIFF¹ Applicant

~~Plaintiff~~
- and -

NOVO PLASTICS INC. and 2139654 ONTARIO LIMITED

Respondents

DEFENDANT

~~Defendant~~

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND*
INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED

ORDER
(~~appointing~~ Appointing Receiver)

THIS ~~MOTION made by the Plaintiff²~~ APPLICATION made by The Toronto-Dominion
Bank (“TD Bank”) for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency*

¹ ~~The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.~~

² ~~Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".~~

Act, R.S.C. 1985, c. B-3, as amended (the ""BIA"") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the ""CJA"") appointing [RECEIVER'S NAME] Deloitte Restructuring Inc. ("Deloitte") as receiver ~~[and manager]~~ (in such ~~capacities~~ capacity, the ""Receiver"") without security, of all of the assets, undertakings and properties of [DEBTOR'S NAME] (the "Debtor" each of Novo Plastics Inc. ("Novo") and 2139654 Ontario Limited (together with Novo, the "Debtors") acquired for, or used in relation to ~~a~~ any business(es) carried on by the ~~Debtor~~, Debtors, including, without limitation, the real property municipally known as 388 Markland Street, Markham, Ontario, and legally described under PIN 03047-0057 (LT) in LRO # 65 as PCL 19-6, SEC MA3; PT LT 19, CON 3 (MKM), PART 1, 65R18445, MARKHAM (the "Real Property") was heard this day ~~at 330 University Avenue, Toronto, Ontario~~ by judicial videoconference via Zoom.

ON READING the affidavit of [NAME] Rose Lou sworn [DATE] April 10, 2026 and the Exhibits thereto, and on hearing the submissions of counsel for [NAMES] TD Bank, and such other counsel as were present, no one appearing for [NAME] any other stakeholder although duly served as appears from the affidavit of service ~~of [NAME] sworn [DATE], filed,~~ and on reading the consent of [RECEIVER'S NAME] Deloitte to act as the Receiver, filed,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the ~~Notice of Motion~~ notice of application and the ~~Motion~~ application record is hereby abridged and validated³ so that this ~~motion~~ application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, [RECEIVER'S NAME] Deloitte is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the ~~Debtor~~ Debtors acquired for, or used in relation to

³ ~~If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

any business(es) carried on by the ~~Debtor, including~~ Debtors and all proceeds thereof ~~(the "~~ including, without limitation, the Real Property" (collectively, the "Property")).

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, ~~and~~ carry on the business(es) of the ~~Debtor~~ Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the ~~Debtor~~ Debtors;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the ~~Receiver's~~ Receiver's powers and duties, including without limitation those conferred by this Order;

- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the ~~Debtor~~Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the ~~Debtor~~Debtors and to exercise all remedies of the ~~Debtor~~Debtors in collecting such monies, including, without limitation, to enforce any security held by the ~~Debtor~~Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the ~~Debtor~~Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the ~~Receiver's~~Receiver's name or in the ~~name~~names and on behalf of the ~~Debtor~~Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the ~~Debtor~~Debtors, the Property or the Receiver, and to settle or compromise any such proceedings.⁴ The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

⁴ ~~This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.~~

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business⁵;

i. ~~(i)~~ without the approval of this Court in respect of any transaction not exceeding \$~~_____~~200,000, provided that the aggregate consideration for all such transactions does not exceed \$~~_____~~1,000,000; and

ii. ~~(ii)~~ with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*,~~†~~ or section 31 of the Ontario *Mortgages Act*, as the case may be,⁵ shall not be required,~~and in each case the Ontario Bulk Sales Act shall not apply.~~

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property, including, without limitation, the Real Property;

⁵ ~~If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~

- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the ~~name~~names of the ~~Debtor~~Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the ~~Debtor~~Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the ~~Debtor~~Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the ~~Debtor~~Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations~~;~~;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the ~~Debtor~~Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the ~~Debtor~~Debtors, (ii) all of ~~its~~their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on ~~its~~their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such ~~Person's~~Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the ~~Receiver's~~Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or

affairs of the ~~Debtor~~Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that ~~Person's~~Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords (if any) with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this

Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE ~~DEBTOR~~DEBTORS OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the ~~Debtor~~Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the ~~Debtor~~Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the ~~Debtor~~Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the ~~Debtor~~Debtors to carry on any business which the ~~Debtor~~Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the ~~Debtor~~Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the ~~Debtor~~Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the ~~Debtor~~Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the ~~Debtor~~Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the ~~Debtor's~~Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the ~~Debtor~~Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments~~;~~ and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including~~,~~ without limitation~~,~~ the sale of all or any of the Property~~,~~ and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the ~~Debtor~~Debtors, if any, shall remain the employees of the ~~Debtor~~Debtors until such time as the Receiver, on the ~~Debtor's~~Debtors' behalf~~s,~~ may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may

specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

PIPEDA AND ANTI-SPAM LEGISLATION

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the ~~Debtor~~Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

16. **THIS COURT ORDERS** that any and all interested stakeholders in this proceeding and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in this proceeding, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to such other interested stakeholders in this proceeding and their counsel and advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. ~~16.~~ **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or

collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*,~~—~~ or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the ~~Reeeiver's~~Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

18. ~~17.~~ **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

~~RECEIVER'S~~RECEIVER'S ACCOUNTS

19. ~~18.~~ **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the ~~"Reeeiver's"~~"Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the ~~Reeeiver's~~Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges

and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.⁶

20. ~~19.~~ **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass ~~its~~their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the ~~Commercial List of the~~ Ontario Superior Court of Justice (Commercial List).

21. ~~20.~~ **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

22. ~~21.~~ **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$~~_____~~1,000,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the ~~"Receiver's"~~"Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

~~⁶ Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

23. ~~22.~~ **THIS COURT ORDERS** that neither the ~~Receiver's~~Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

24. ~~23.~~ **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule ~~"A"~~"A" hereto (the ~~"Receiver's Certificates"~~"Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

25. ~~24.~~ **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued ~~Receiver's~~Receiver's Certificates.

SERVICE AND NOTICE

26. ~~25.~~ **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at ~~<http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>~~<https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 of the Rules of Civil Procedure (the "Rules") this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules ~~of Civil Procedure~~. Subject to Rule 3.01(d) of the Rules ~~of Civil Procedure~~ and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol ~~with~~and shall be accessible by selecting the Debtors' names from the engagement list at the following URL ~~<https://www.insolvencies.deloitte.ca/en-ca/Pages/Search-Insolvencies.aspx>~~  ~~;~~:

27. ~~26.~~ **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other

correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the ~~Debtor's~~Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the ~~Debtor~~Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

28. ~~27.~~ **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. **THIS COURT ORDERS** that the Receiver may retain solicitors to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order. Such solicitors may include Aird & Berlis LLP, solicitors for the Applicant herein, in respect of any matter where there is no conflict of interest. The Receiver shall, however, retain independent solicitors in respect of any legal advice or services where a conflict exists or may arise.

30. ~~28.~~ **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the ~~Debtor~~Debtors.

31. ~~29.~~ **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

32. ~~30.~~ **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within

proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

33. ~~31.~~ **THIS COURT ORDERS** that ~~the Plaintiff~~ TD Bank shall have its costs of this ~~motion~~ application, up to and including entry and service of this Order, provided for by the terms of ~~the Plaintiff's~~ TD Bank's security or, if not so provided by ~~the Plaintiff's~~ TD Bank's security, then on a substantial indemnity basis to be paid by the Receiver from the ~~Debtor's estate~~ Debtors' estates with such priority and at such time as this Court may determine.

34. ~~32.~~ **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

35. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of today's date and are enforceable without the need for entry or filing.

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~ Deloitte Restructuring Inc., the receiver (the "Receiver") of all of the assets, undertakings and properties ~~[DEBTOR'S NAME]~~ of Novo Plastics Inc. and 2139654 Ontario Limited (together, the "Debtors") acquired for, or used in relation to ~~any~~ business(es) carried on by the ~~Debtor~~ Debtors, including all proceeds thereof (collectively, the "Property"), appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 20 ~~20~~ 2026 day of 20 ~~20~~ 2026 (the "Order") made in an ~~action~~ application having Court file number CL-26-00000153-0000, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ 1,000,000 which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

~~[RECEIVER'S NAME]~~ Deloitte Restructuring Inc., solely in its capacity
- as Receiver of the Property, and not in its personal capacity

Per: _____

Name:

Title:

~~Title:~~

THE TORONTO-DOMINION BANK

- and -

NOVO PLASTICS INC. and 2139654 ONTARIO LIMITED

Applicant

Respondents

Court File No. CL-26-00000153-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

APPOINTMENT ORDER

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Lawyers for The Toronto-Dominion Bank

TAB 4

Court File No. CL-26-00000153-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

THE TORONTO-DOMINION BANK

Applicant

- and -

NOVO PLASTICS INC. and 2139654 ONTARIO LIMITED

Respondents

**APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

**AFFIDAVIT OF SICHENG LOU
(sworn April 10, 2026)**

I, **SICHENG LOU**, of the City of Toronto, in the Province of Ontario, **MAKE OATH
AND SAY AS FOLLOWS:**

1. I am a Director in the Financial Restructuring Group of The Toronto-Dominion Bank (“**TD Bank**”). TD Bank is a secured creditor of the Respondents, Novo Plastics Inc. (“**Novo**”) and 2139654 Ontario Limited (“**213**” and, together with Novo, the “**Debtors**”). I am responsible for TD Bank’s management of the credit facilities that TD Bank advanced to the Debtors (the “**Credit Facilities**”). As such, I have personal knowledge of the matters to which I hereinafter depose. Where I do not have such personal knowledge, I have stated the source of my information and, in all such cases, believe it to be true.

PURPOSE

2. I am swearing this Affidavit in support of an application by TD Bank for an Order which, in substance, appoints Deloitte Restructuring Inc. (“**Deloitte**”) as receiver, without security, of all the assets, undertakings and properties of each of the Debtors (collectively, the “**Property**”) acquired for, or used in relation to any business(es) carried on by the Debtors and all proceeds thereof, including, without limitation, the real property municipally known as 388 Markland Street, Markham, Ontario, and legally described under PIN 03047-0057 (LT) (the “**Real Property**”).

DESCRIPTION OF THE DEBTORS AND REAL PROPERTY

3. The Debtors’ corporate profile reports are attached together as **Exhibit “A”** to this Affidavit. They reflect that: (i) the Debtors are privately-owned corporations registered under Ontario’s *Business Corporations Act* with a registered office at the Real Property; and (ii) Baljit Sierra (“**Mr. Sierra**”) is the sole director and officer of each of the Debtors.

4. Novo is an operating company which, according to the *About Us* page of its website, manufactures plastic components and products for various industries including “*automotive, packaging, consumer goods, industrial applications, and more.*” A printout of this webpage is attached to this Affidavit as **Exhibit “B”**.

5. I believe that Novo has between 30 and 100 employees but am not aware of an exact number. I do not believe there is any union.

6. A copy of the parcel register for the Real Property is attached as **Exhibit “C”** to this Affidavit. It reflects that 213 is the registered owner of the Real Property.

7. I do not believe that 213 has any employees.

TD BANK'S LOANS TO THE DEBTORS AND RELATED SECURITY

8. The Debtors are indebted to TD Bank in connection with the Credit Facilities made available to them pursuant to and under the terms of the credit agreement entered into between TD Bank and the Debtors dated December 19, 2024 (as may have been amended, replaced, restated or supplemented from time to time, the “**Credit Agreement**”), a copy of which is attached as **Exhibit “D”** to this Affidavit.

9. The obligations of each of the Debtors to TD Bank are cross-guaranteed pursuant to the following guarantees (together, the “**Guarantees**”), copies of which are collectively attached as **Exhibit “E”** to this Affidavit:¹

- (a) the unlimited guarantee granted by 213 in favour of TD Bank dated June 20, 2025 regarding the obligations of Novo to TD Bank; and
- (b) the unlimited guarantee granted by Novo in favour of TD Bank dated January 6, 2023 regarding the obligations of 213 to TD Bank.

10. To secure their respective obligations to TD Bank, the Debtors provided security to TD Bank (collectively, the “**Security**”), including, without limitation:

- (a) the general security agreement dated January 6, 2022 granted by Novo in favour of TD Bank (the “**Novo GSA**”), registration in respect of which was made under the *Personal Property Security Act* (Ontario) (the “**PPSA**”), and which grants TD Bank, amongst other things, a security interest in any and all of Novo’s assets, undertakings and property;

¹ Mr. Sierra also guaranteed the obligations of the Debtors to TD Bank pursuant to and under the terms of the guarantee granted by Mr. Sierra in favour of TD Bank dated December 21, 2023, which is limited to the principal sum of \$1,500,000.00 plus interest, costs and expenses.

- (b) the general security agreement dated January 6, 2022 granted by 213 in favour of TD Bank (together with the Novo GSA, the “**GSAs**”), registration in respect of which was made under the PPSA, and which grants TD Bank, amongst other things, a security interest in any and all of 213’s assets, undertakings and property. Copies of the GSAs are attached collectively as **Exhibit “F”** to this Affidavit;
- (c) the charge/mortgage in the principal amount of \$26,500,000 granted by 213 in respect of the Real Property, which was registered on title as Instrument No. YR3514237 on January 10, 2023 (as amended by Instrument Nos. YR3665823 and YR3774016) (collectively, the “**Mortgage**”). A copy of the Mortgage, together with the standard charge terms referenced therein, is attached as **Exhibit “G”** to this Affidavit; and
- (d) the specific assignment of leases granted by 213 in favour of TD Bank in respect of 213’s lease of the Real Property to Novo, which was registered on title as Instrument No. YR3514238 on January 10, 2023, and a copy of which is attached as **Exhibit “H”** to this Affidavit.

THE DEBTORS’ SECURED CREDITORS

- 11. TD Bank is the only registered secured creditor on title to the Real Property.
- 12. Copies of the certified PPSA search results against the Debtors as at March 18, 2026 are collectively attached as **Exhibit “I”** to this Affidavit. These search results reflect 32 different registration families in the aggregate, in each case including, without limitation, a PPSA registration in favour of TD Bank against all collateral classifications other than consumer goods (the “**General TD Registrations**”). Each of the other PPSA registrations against Novo and 213

appear to be limited on its face to certain equipment/motor vehicles, some of which are also registered after the applicable General TD Registration. For greater clarity, based on my review of the PPSA search results, the General TD Registrations appear to be the only all-asset registrations against the Debtors.

DEFAULTS, EXPIRED FORBEARANCE AND DEMANDS

13. Certain of the Credit Facilities are repayable on demand. In addition, one or more Event of Default (as defined in the Credit Agreement) has also occurred, including, without limitation, those certain defaults set out in default letters issued to the Debtors dated May 5, 2025, May 23, 2025 and June 17, 2025 (collectively, the “**May/June Default Letters**”). Copies of the May/June Default Letters are collectively attached to this Affidavit as **Exhibit “J”**.

14. More specifically, the May/June Default Letters specify, *inter alia*, the following defaults under the Credit Agreement:

- (a) failure to maintain the requisite Debt Service Coverage (“**DSC**”) Ratio under the Credit Agreement of not less than 120% for the period ending March 31, 2025, at which time the DSC was calculated to be 0.75x;
- (b) failure to comply with the borrowing base calculation under the Credit Agreement, which is tested on a monthly basis, for the periods ending April, May, June, July, August and September 2024, and March and April 2025. As at April 30, 2025, the borrowing base shortfall was calculated to be \$1,080,000; and
- (c) payment defaults for the month of May 2025 totalling \$499,704.42, as follows:
 - (i) arrearages of \$132,632.65 and \$7,410.98 in respect of certain term facilities under the Credit Agreement;
 - (ii) arrearages of \$2,239.73 in respect of the SRED operating facility under the Credit Agreement;
 - (iii) arrearages of \$29,325.54 in respect of the TD Equipment Finance line under the Credit Agreement; and

- (iv) arrears of \$328,095.52 in respect of the business VISA line under the Credit Agreement.

15. On June 19, 2025, TD Bank proceeded to make formal written demand on the Debtors² for the payment of the amounts owed to TD Bank under the Credit Agreement and the Guarantees, as applicable (collectively, the “**June Demand Letters**”). Notices of intention to enforce security (the “**June BIA Notices**”) pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”) accompanied the June Demand Letters sent to the Debtors. Copies of the June Demand Letters and the June BIA Notices are attached collectively as **Exhibit “K”** to this Affidavit.

16. On June 19, 2025, TD Bank entered into a forbearance agreement with the Debtors and Mr. Sierra (the “**Forbearance Agreement**”). A copy of the Forbearance Agreement is attached as **Exhibit “L”** to this Affidavit. Upon confirming that the Forbearance Agreement had been fully executed and was in effect, TD Bank revoked the June Demand Letters and confirmed as such to the Debtors through Mr. Sierra.

17. The essential terms of the Forbearance Agreement were that (i) the Debtors acknowledged the existing defaults as set out in the May/June Default Letters; (ii) the Debtors acknowledged the Indebtedness (as defined below), the Credit Agreement, the Security and the Guarantees; (iii) in addition to other reporting obligations, the Debtors were to deliver to TD Bank by no later than July 15, 2025 a fully executed commitment letter evidencing sufficient funding to repay the Indebtedness in full on or before the end of the Forbearance Period (as defined by the Forbearance Agreement, being August 15, 2025); and (iv) certain amendments were made to the Credit Agreement including the closure of certain Credit Facilities.

² Demand was also made on Mr. Sierra under his personal guarantee as referenced in footnote 1, *supra*.

18. As particularized in more detail in the Forbearance Agreement, CAD \$28,423,264.25 plus USD \$305,971.05 was owing by the Debtors to TD Bank for principal and interest as of June 17, 2025, plus accruing interest and costs (collectively, the “**Indebtedness**”).

19. Among numerous other defaults under the Forbearance Agreement, TD Bank did not receive by July 15, 2025 a fully executed commitment letter evidencing sufficient funding to repay the Indebtedness in full on or before the end of the Forbearance Period, contrary to section 5.1(d) of the Forbearance Agreement. As a result, on July 16, 2025, TD Bank issued to the Debtors a notice of default and reservation of rights (the “**July Default Letter**”) requiring the Debtors to rectify the defaults set out therein by July 23, 2025. A copy of the July Default Letter is attached as **Exhibit “M”** to this Affidavit.

20. More specifically, and in addition to the foregoing, the July Default Letter also specifies, *inter alia*, the following defaults under the Credit Agreement and the Forbearance Agreement:

- (a) as of July 14, 2025, 213’s account was overdrawn by \$274,337.20;
- (b) the 13 week cash flow projection due July 8, 2025 had not been received by TD Bank contrary to section 5.1(a) of the Forbearance Agreement;
- (c) the written confirmation regarding the status of any and all SRED claims due July 8, 2025 had not been received by TD Bank contrary to section 5.1(b) of the Forbearance Agreement;
- (d) the monthly aged accounts receivable and aged accounts payable listing and inventory listing for Novo for the month of May 2025, all due by June 25, 2025, had not been received by TD Bank such that the borrowing base calculation could not be completed contrary to the Credit Agreement; and
- (e) updated EDC policy documents and information relating thereto had not been received by TD Bank contrary to sections 3.1(a) of the Forbearance Agreement.

21. The Debtors failed to rectify the defaults as set out in the July Default Letter by July 23, 2025. Nevertheless, and notwithstanding TD Bank's entitlement to do so, TD Bank did not terminate the Forbearance Agreement before its outside date of August 15, 2025.

22. On August 15, 2025, the Forbearance Agreement expired in the ordinary course without repayment of the Indebtedness in full.

23. On August 27, 2025, with the Forbearance Agreement no longer in effect and the Indebtedness remaining outstanding and continuing to accrue interest and costs, TD Bank proceeded to issue fresh formal written demands on the Debtors for the payment of the amounts owed to TD Bank under the Credit Agreement and the Guarantees, as applicable (collectively, the "**August Demand Letters**"). Fresh notices of intention to enforce security (the "**August BIA Notices**") pursuant to subsection 244(1) of the BIA accompanied the August Demand Letters sent to the Debtors. Copies of the August Demand Letters and the August BIA Notices are attached collectively as **Exhibit "N"** to this Affidavit.

24. In addition, TD Bank received from a creditor a notice of garnishment dated September 18, 2025 in the amount of \$71,968.35, a copy of which is attached as **Exhibit "O"** to this Affidavit (the "**Garnishment Notice**"). This further reflects the deteriorating circumstances of the Debtor.

RECEIVERSHIP APPLICATION, FORBEARANCE EXTENSION AND EXPIRATION

25. On October 1, 2025, TD Bank issued with the Ontario Superior Court of Justice (Commercial List) a notice of application (the "**October NOA**") for the Court-appointment of a receiver over the Debtors. A copy of the October NOA is attached as **Exhibit "P"** to this Affidavit.

26. On October 3, 2025, TD Bank's legal counsel sent a courtesy copy of the October NOA to the Debtors' solicitors via email. This email advises that TD Bank will take steps to serve the Debtors directly; asks whether the Debtors' solicitors will accept service; and asks about counsel's availability to attend a scheduling appointment before the Court. This email is attached as **Exhibit "Q"** to this Affidavit.

27. Also on October 3, 2025, TD Bank's counsel sent a copy of the October NOA to Mr. Sierra via email and, as a courtesy, advised him that a process server would be attending at the Real Property on the morning of October 6, 2025 to effect personal service on the Debtors. A copy of this email, including a subsequent exchange in which TD Bank's counsel re-iterated its request for counsel's availability for a scheduling appointment, is attached as **Exhibit "R"** to this Affidavit.

28. As indicated, a process server attended at the Real Property on the morning of October 6, 2025 and effected personal service of the October NOA on the Debtors. Copies of the affidavits of service reflecting the foregoing are collectively attached to this Affidavit as **Exhibit "S"**.

29. TD Bank and Mr. Sierra then had a direct conversation about the status of the Debtors' refinancing efforts. Mr. Sierra assured TD Bank that a refinancing was imminent, with a closing date of November 1, 2025. Mr. Sierra requested that TD Bank abandon its October NOA so as not to prejudice the Debtors in their refinancing efforts.

30. Based on the foregoing discussion, TD Bank and the Credit Parties entered into a forbearance extension agreement dated October 10, 2025 (the "**Extension Agreement**"), a copy of which is attached as **Exhibit "T"** to this Affidavit.

31. The essential terms of the Extension Agreement were that (i) the Forbearance Period was extended to an outside date of November 15, 2025, and (ii) TD Bank agreed to abandon the October NOA on the following terms, amongst others, all of which were agreed to by the Credit Parties:

- (a) the abandonment is on a without-costs basis;
- (b) the abandonment is without prejudice to TD Bank's rights to commence or re-commence an application for the appointment of a receiver against the Debtors and to pursue any other enforcement action against the Credit Parties;
- (c) notwithstanding the abandonment, no final judgment or disposition was rendered based on the October NOA such that the doctrines of issue estoppel and *res judicata* shall not apply and the Credit Parties shall not be entitled to raise such arguments in any future proceedings instituted by TD Bank against the Credit Parties; and
- (d) the August Demand Letters and August BIA Notices had been received by the Credit Parties and have not been withdrawn by TD Bank.

32. Following execution by TD Bank and the Credit Parties of the Extension Agreement, and in accordance with the terms therein, TD Bank served and filed with the Court a notice of abandonment, a copy of which is attached as **Exhibit "U"** to this Affidavit.

33. On November 15, 2025, the Forbearance Period again expired without repayment of the Indebtedness in full.

34. In early December 2025, the Credit Parties' solicitors requested, and TD Bank's counsel provided a payout letter. Several emails relating to the payout were exchanged. A copy of this chain of emails is attached as **Exhibit "V"** to this Affidavit. Among other things:

- (a) On December 8, 2025, the Debtors' solicitors advised that "*Parties are aiming to close this Wednesday*", being December 10;
- (b) On December 10, 2025, the Debtors' solicitors advised that "*Closing will not occur today and we don't have an updated target closing date yet*";

- (c) On Wednesday, December 17, 2025, the Debtors' solicitors wrote that they were "*hoping to potentially be in a position to close by the end of this week, but it may slip to next week*"; and
- (d) On February 7, 2026, and again on February 26, 2026, TD Bank's counsel asked the Debtors' solicitors for an update on when the payout would occur. The Debtors' solicitors did not have a substantive update to share, merely stating that "*our client informs us that he is scheduled to speak with [TD] today and he will provide her with a direct update.*"

35. I have been in regular contact with the Debtors through Mr. Sierra during the course of the foregoing events. Mr. Sierra has continually stated since before the execution of the Forbearance Agreement in June 2025 that a re-finance from another lender is imminent, yet no such re-financing has materialized. Most recently, Mr. Sierra has advised me that a planned re-financing by another Schedule I bank is not proceeding and will not be considered until further year end financial statements can be produced, which could not happen for several more months. Hence there is no current re-financing proposal in place.

36. As of the date of the swearing of this Affidavit, more than four months have passed since the expiration of the Forbearance Period under the Extension Agreement, and the Indebtedness remains outstanding. The refinancing has not closed and TD Bank is not satisfied that it will close on a satisfactory timeline (or at all). During this time the Debtors have made no payments of any interest or principal on account of their loans.

37. In the circumstances, TD Bank has been more than fair and reasonable with the Debtors and has granted numerous indulgences to allow the Debtors to make arrangements to repay the Indebtedness, yet the Debtors have repeatedly failed to meet their obligations to TD Bank.

38. At this stage, as the August Demand Letters have not been honoured and the Debtors have repeatedly failed to meet their commitments to TD Bank, TD Bank considers that the only

reasonable and prudent path forward is to take any and all steps necessary to protect the Property by having a receiver appointed, and it is within TD Bank's rights under its Security to do so.

39. As of April 10, 2026, the outstanding Indebtedness pursuant to the Credit Facilities under the Credit Agreement is composed of the following amounts for principal and interest (which, for greater certainty, are exclusive of accruing interest and costs including, without limitation, TD Bank's legal and other professional costs):

Novo Facilities	
Operating Line – USD	USD \$282,999.96
Operating Line – CAD	CAD \$5,126,249.19
Operating Line – SR&ED	CAD \$513,763.02
Term Loan	CAD \$1,717,825.75
VISA ending in 8608	CAD \$8,503.34
TD Equipment Finance Loan	CAD \$185,417.59
213 Facilities	
Term Facility	CAD \$21,001,900.87
Term Facility	CAD \$775,761.64
Unauthorized Account Overdraft	CAD \$300,809.17
	CAD \$29,630,230.57 plus USD \$282,999.96

APPOINTMENT OF A RECEIVER

40. In the circumstances set out above, I believe that it is just and equitable that a receiver be appointed. A receiver is necessary for the protection of the Property and the interests of TD Bank and all stakeholders. TD Bank believes that the appointment of a receiver would enhance the prospect of recovery by TD Bank and protect all stakeholders.

41. Furthermore, the Court-appointment of a receiver is preferable to a private appointment in this case for the following reasons (among others):

- (a) the nature of the business, being plastic-based manufacturing, would suggest the possibility of environmental issues such that a receiver would require the protections afforded to Court-appointed receivers in such circumstances under the BIA;

- (b) TD Bank is concerned about the infrequent, inconsistent and inaccurate reporting it has received (or not received) from the Debtors, such that the receiver may require enhanced powers to make inquiry or to follow assets; and
- (c) if the receiver determines that there is a business worth preserving, then in light of, among other things, the Garnishment Notice, a stay of proceedings would be required to prevent other creditors from causing the business to shutter, and thus protecting whatever chance there may be to preserve jobs.

42. The current cash position of the Debtors is unknown and TD Bank has determined that at this time, it is willing to advance up to \$500,000.00 to fund the receivership, with a potential increase to \$1,000,000.00 subject to credit approval from TD Bank at a later date.

43. TD Bank proposes that Deloitte be appointed as the receiver of the Property.

44. Deloitte is a licensed insolvency trustee, and is familiar with the circumstances of the Debtor and its arrangements with TD Bank. Deloitte has consented to act as receiver should the Court so appoint it, as set out in Deloitte's consent attached as **Exhibit "W"** to this Affidavit.

SWORN remotely by Sicheng Lou, before me)
 at the City of Toronto in the Province of)
 Ontario on this 10th day of April, 2026, in)
 accordance with O. Reg 431/20,)
 Administering Oath or Declaration Remotely.)



 A Commissioner, etc.
 Calvin Horsten (LSO No. 90418I)



SICHENG LOU

This is Exhibit "A" referred to in the Affidavit of Sicheng Lou
sworn before me this 10th day of April, 2026



Commissioner for Taking Affidavits

Ministry of Public and
Business Service Delivery

Profile Report

NOVO PLASTICS INC. as of March 19, 2026

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	NOVO PLASTICS INC.
Ontario Corporation Number (OCN)	1953292
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Amalgamation	April 01, 2016
Registered or Head Office Address	388 Markland Street, Markham, Ontario, L6C 1Z6, Canada

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

A handwritten signature in black ink, appearing to read "V. Quintanilla W.".

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Minimum Number of Directors	1
Maximum Number of Directors	10

Active Director(s)

Name	BALJIT SIERRA
Address for Service	388 Markland Street, Markham, Ontario, L6C 1Z6, Canada
Resident Canadian	Yes
Date Began	April 01, 2016

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

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Active Officer(s)**Name****Position****Address for Service****Date Began**

BALJIT SIERRA

President

388 Markland Street, Markham, Ontario, L6C 1Z6, Canada

April 01, 2016

Name**Position****Address for Service****Date Began**

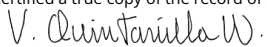
BALJIT SIERRA

Secretary

388 Markland Street, Markham, Ontario, L6C 1Z6, Canada

April 01, 2016

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.



Director/Registrar

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Corporate Name History

Name

Effective Date

NOVO PLASTICS INC.

April 01, 2016

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

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Amalgamating Corporations

Corporation Name	2098316 ONTARIO INC.
Ontario Corporation Number	2098316

Corporation Name	NOVO PLASTICS INC.
Ontario Corporation Number	2098318

Corporation Name	2057412 ONTARIO INC.
Ontario Corporation Number	2057412

Corporation Name	NOVO INTERNATIONAL INC.
Ontario Corporation Number	2098315

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

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Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

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Expired or Cancelled Business Names

Name	NOVO PLASTICS
Business Identification Number (BIN)	301262549
Status	Inactive - Expired
Registration Date	November 09, 2020
Expired Date	November 08, 2025

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V. Quintanilla W.

Director/Registrar

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Document List

Filing Name	Effective Date
Annual Return - 2025 PAF: Y. KEN CHUN	January 21, 2026
Annual Return - 2024 PAF: BALJIT SIERRA	July 11, 2024
Annual Return - 2023 PAF: BALJIT SIERRA	July 11, 2024
Annual Return - 2022 PAF: BALJIT SIERRA	December 12, 2023
Annual Return - 2021 PAF: BALJIT SIERRA	December 12, 2023
Annual Return - 2020 PAF: BALJIT SIERRA - DIRECTOR	September 20, 2020
Annual Return - 2019 PAF: BALJIT SIERRA - DIRECTOR	October 06, 2019
Annual Return - 2018 PAF: BALJIT SIERRA - DIRECTOR	September 30, 2018
Annual Return - 2017 PAF: BALJIT SIERRA - DIRECTOR	September 24, 2017
BCA - Articles of Amalgamation	April 01, 2016

All "PAF" (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

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Ministry of Public and
Business Service Delivery

Profile Report

2139654 ONTARIO LIMITED as of March 19, 2026

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	2139654 ONTARIO LIMITED
Ontario Corporation Number (OCN)	2139654
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	June 18, 2007
Registered or Head Office Address	388 Markland Street, Markham, Ontario, L6C 1Z6, Canada

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

A handwritten signature in black ink, appearing to read "V. Quintanilla W.", written over a horizontal line.

Director/Registrar

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Minimum Number of Directors 1
Maximum Number of Directors 10

Active Director(s)

Name	BALJIT SIERRA
Address for Service	388 Markland Street, Markham, Ontario, L6C 1Z6, Canada
Resident Canadian	Yes
Date Began	June 18, 2007

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

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Active Officer(s)**Name****Position****Address for Service****Date Began**

BALJIT SIERRA

Chief Executive Officer

388 Markland Street, Markham, Ontario, L6C 1Z6, Canada

June 18, 2007

Name**Position****Address for Service****Date Began**

BALJIT SIERRA

President

388 Markland Street, Markham, Ontario, L6C 1Z6, Canada

June 18, 2007

Name**Position****Address for Service****Date Began**

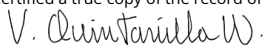
BALJIT SIERRA

Secretary

388 Markland Street, Markham, Ontario, L6C 1Z6, Canada

March 01, 2008

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.



Director/Registrar

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Corporate Name History

Name

2139654 ONTARIO LIMITED

Effective Date

June 18, 2007

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

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Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

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Expired or Cancelled Business Names

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Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

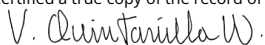
Director/Registrar

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Document List

Filing Name	Effective Date
Annual Return - 2024 PAF: BALJIT SIERRA	July 11, 2024
Annual Return - 2023 PAF: BALJIT SIERRA	July 11, 2024
Annual Return - 2022 PAF: BALJIT SIERRA	January 04, 2023
Annual Return - 2021 PAF: BALJIT SIERRA	January 04, 2023
Annual Return - 2020 PAF: BALJIT SIERRA	January 04, 2023
Annual Return - 2019 PAF: BALJIT SIERRA	January 04, 2023
Annual Return - 2018 PAF: BALJIT SIERRA	January 04, 2023
Annual Return - 2017 PAF: BALJIT SIERRA	January 04, 2023
Annual Return - 2016 PAF: BALJIT SIERRA	January 04, 2023
Annual Return - 2015 PAF: BALJIT SIERRA	January 04, 2023
Annual Return - 2014 PAF: BALJIT SIERRA	January 04, 2023
Annual Return - 2013 PAF: BALJIT SIERRA	January 04, 2023
Annual Return - 2012 PAF: BALJIT SIERRA	January 04, 2023

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.



Director/Registrar

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Annual Return - 2011 PAF: BALJIT SIERRA	January 04, 2023
Annual Return - 2010 PAF: BALJIT SIERRA	January 04, 2023
Annual Return - 2009 PAF: BALJIT SIERRA	January 04, 2023
CIA - Notice of Change PAF: JOY SARKAR - OTHER	September 19, 2014
CIA - Notice of Change PAF: BALJIT SIERRA - OFFICER	July 19, 2011
Annual Return - 2008 PAF: BALJIT SIERRA - OFFICER	January 03, 2009
CIA - Notice of Change PAF: Y. KEN CHUN - OTHER	July 21, 2008
CIA - Initial Return PAF: Y. KEN CHUN - OTHER	June 29, 2007
BCA - Articles of Incorporation	June 18, 2007

All "PAF" (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

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V. Quintanilla W.

Director/Registrar

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This is Exhibit "B" referred to in the Affidavit of Sicheng Lou
sworn before me this 10th day of April, 2026



Commissioner for Taking Affidavits

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At NOVO, we are committed to delivering high-quality plastic solutions for industries worldwide. As a leading manufacturer in the plastics sector, we specialize in

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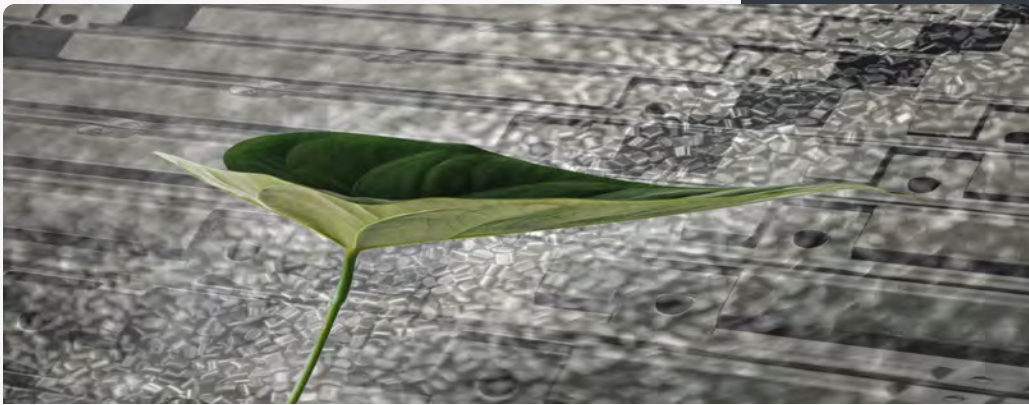
WH

Choose Us?



Quality Assurance

Our state-of-the-art facilities and stringent quality control processes ensure that every product meets the highest standards of durability, precision, and performance.

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Sustainability

With a strong commitment to environmental responsibility, we prioritize sustainable practices and offer recyclable, biodegradable, and reusable plastic options.



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What We Do

We manufacture precision-engineered plastic components and products that serve various industries, including automotive, packaging, consumer goods, industrial applications, and more. Whether you need high-volume production or specialized, custom plastic solutions, we are equipped to handle projects of all sizes and complexities.

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Network:

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Developed by **Digital Fingers**

This is Exhibit "C" referred to in the Affidavit of Sicheng Lou
sworn before me this 10th day of April, 2026



Commissioner for Taking Affidavits

PROPERTY DESCRIPTION: PCL 19-6, SEC MA3 ; PT LT 19, CON 3 (MKM) , PART 1 , 65R18445 , MARKHAM

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
ABSOLUTE

RECENTLY:

FIRST CONVERSION FROM BOOK

PIN CREATION DATE:

1997/03/24

OWNERS' NAMES

2139654 ONTARIO LIMITED

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/03/24 ON THIS PIN						
WAS REPLACED WITH THE "PIN CREATION DATE" OF 1997/03/24						
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1997/03/22 **						
R488826	1988/11/15	NOTICE				C
REMARKS: AIRPORT ZONING REGULATIONS						
65R18445	1996/05/16	PLAN REFERENCE				C
65R18462	1996/05/28	PLAN REFERENCE				C
LT1103244	1996/06/06	NOTICE AGREEMENT			THE CORPORATION OF THE TOWN OF MARKHAM	C
LT1107076	1996/06/27	TRANSFER		*** COMPLETELY DELETED ***	HUNJAN HOLDINGS LTD.	
REMARKS: THE CONSENT OF THE COMMITTEE OF ADJUSTMENT OF THE CORPORATION OF THE TOWN OF MARKHAM IS ATTACHED THERETO						
LT1131127	1996/10/21	CHARGE		*** COMPLETELY DELETED ***	THE TORONTO-DOMINION BANK	
LT1131128	1996/10/21	NOTICE		*** COMPLETELY DELETED ***		
REMARKS: RENTS, LT1131127						
YR156059	2002/06/10	NOTICE OF LEASE		*** COMPLETELY DELETED *** HUNJAN HOLDINGS LTD.	HUNJAN MOULDED PRODUCTS LTD.	
YR156063	2002/06/10	NOTICE OF LEASE		*** COMPLETELY DELETED *** HUNJAN HOLDINGS LTD.	HUNJAN TOOLS & MOULD LTD.	
YR156069	2002/06/10	APL (GENERAL)		*** COMPLETELY DELETED *** HUNJAN MOULDED PRODUCTS LTD.	HUNJAN MOULDED PRODUCTS LTD. HUNJAN HOLDINGS LTD.	
REMARKS: YR156059						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR156070	2002/06/10	APL (GENERAL)		*** COMPLETELY DELETED *** HUNJAN TOOLS & MOULD LTD.	HUNJAN TOOLS & MOULD LTD. HUNJAN HOLDINGS LTD.	
REMARKS: YR156063						
YR168917	2002/07/04	CHARGE		*** COMPLETELY DELETED *** HUNJAN HOLDINGS LTD.	CIBC MORTGAGES INC.	
YR168935	2002/07/04	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** HUNJAN HOLDINGS LTD.	CIBC MORTGAGES INC.	
REMARKS: YR168917						
YR168994	2002/07/04	NO ASSGN RENT SPEC		*** COMPLETELY DELETED *** HUNJAN HOLDINGS LTD.	CIBC MORTGAGES INC.	
REMARKS: YR168917, YR156059 AND YR156069						
YR169025	2002/07/04	NO ASSGN RENT SPEC		*** COMPLETELY DELETED *** HUNJAN HOLDINGS LTD.	CIBC MORTGAGES INC.	
REMARKS: YR168917, YR156063 AND YR156070						
YR169041	2002/07/04	CHARGE		*** COMPLETELY DELETED *** HUNJAN HOLDINGS LTD.	CANADIAN IMPERIAL BANK OF COMMERCE	
YR177173	2002/07/22	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
REMARKS: RE: LT1131127						
YR187413	2002/08/09	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
REMARKS: RE: LT1131127						
YR493220	2004/06/30	NO SEC INTEREST		*** COMPLETELY DELETED *** GE CANADA LEASING SERVICES COMPANY		
YR582472	2004/12/24	APL (GENERAL)		*** COMPLETELY DELETED *** HUNJAN HOLDINGS LTD.		
REMARKS: DELETE - YR156059, YR156069, YR156063 AND YR156070						
YR582473	2004/12/24	DISCH OF CHARGE		*** COMPLETELY DELETED *** CANADIAN IMPERIAL BANK OF COMMERCE		
REMARKS: RE: YR169041						
YR582474	2004/12/24	TRANSFER		*** COMPLETELY DELETED *** HUNJAN HOLDINGS LTD.	388 MARKLAND PORTFOLIO INC.	

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
		REMARKS: S/T EXECUTION NO. 04/02644 - HUNJAN HOLDINGS LTD. - IF ENFORCEABLE DELETED UNDER YR585284				
YR582475	2004/12/24	NOTICE OF LEASE		*** COMPLETELY DELETED *** HUNJAN HOLDINGS LTD.		
YR585284	2005/01/07	APL DEL EXECUTION		*** COMPLETELY DELETED *** HUNJAN HOLDINGS LTD.		
		REMARKS: DELETE EXECUTION 04-02644				
YR688421	2005/08/23	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
		REMARKS: PICKERING AIRPORT SITE ZONING REG. (SOR/10000-636)				
YR835087	2006/06/19	DISCHARGE INTEREST		*** COMPLETELY DELETED ***	GE CANADA LEASING SERVICES COMPANY	
		REMARKS: RE: YR493220				
YR1011822	2007/07/04	NO DET/SURR LEASE		*** COMPLETELY DELETED ***	388 MARKLAND PORTFOLIO INC.	
		REMARKS: RE: YR582475				
YR1012340	2007/07/04	TRANSFER	\$7,100,000	388 MARKLAND PORTFOLIO INC.	2139654 ONTARIO LIMITED	C
YR1012342	2007/07/04	CHARGE		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	RETURN ON INNOVATION CAPITAL LTD.	
YR1012364	2007/07/04	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	RETURN ON INNOVATION CAPITAL LTD.	
		REMARKS: YR1012342				
YR1012367	2007/07/04	CHARGE		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	GS MANAGEMENT GROUP INCORPORATED	
YR1012373	2007/07/04	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	GS MANAGEMENT GROUP INCORPORATED	
		REMARKS: YR1012367				
YR1052326	2007/09/12	DISCH OF CHARGE		*** COMPLETELY DELETED *** CIBC MORTGAGES INC.		
		REMARKS: RE: YR168917				
YR1225054	2008/09/16	CHARGE		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	RETURN ON INNOVATION CAPITAL LTD.	
YR1225060	2008/09/16	NO ASSGN RENT GEN		*** COMPLETELY DELETED ***		

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR1226295	2008/09/17	DISCH OF CHARGE		2139654 ONTARIO LIMITED *** COMPLETELY DELETED *** GS MANAGEMENT GROUP INCORPORATED	RETURN ON INNOVATION CAPITAL LTD.	C
REMARKS: RE: YR1012367						
YR1681692	2011/07/20	CHARGE		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	RETURN ON INNOVATION CAPITAL LTD.	
YR1681695	2011/07/20	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	RETURN ON INNOVATION CAPITAL LTD.	
REMARKS: YR1681692.						
YR1681733	2011/07/20	DISCH OF CHARGE		*** COMPLETELY DELETED *** RETURN ON INNOVATION CAPITAL LTD.		
REMARKS: YR1225054.						
YR1681734	2011/07/20	DISCH OF CHARGE		*** COMPLETELY DELETED *** RETURN ON INNOVATION CAPITAL LTD.		
REMARKS: YR1012342.						
YR2051654	2013/10/25	APL CH NAME INST		*** COMPLETELY DELETED *** RETURN ON INNOVATION CAPITAL LTD.	RETURN ON INNOVATION ADVISORS LTD.	
REMARKS: YR1681692.						
YR2054122	2013/10/30	NOTICE OF LEASE		2139654 ONTARIO LIMITED	NOVO PLASTICS INC.	C
YR2055079	2013/10/31	CHARGE		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	LAURENTIAN BANK OF CANADA	
YR2055080	2013/10/31	NO ASSGN RENT SPEC		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	LAURENTIAN BANK OF CANADA	
REMARKS: YR2055079. YR2054122						
YR2055204	2013/10/31	POSTPONEMENT		*** COMPLETELY DELETED *** RETURN ON INNOVATION ADVISORS LTD.	LAURENTIAN BANK OF CANADA	
REMARKS: YR1692692 TO YR2055079						
YR2263104	2015/03/04	CHARGE		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	BUSINESS DEVELOPMENT BANK OF CANADA	C
YR2263119	2015/03/04	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	BUSINESS DEVELOPMENT BANK OF CANADA	
REMARKS: YR2263104.						

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YR2263174	2015/03/04	POSTPONEMENT		*** COMPLETELY DELETED *** NOVO PLASTICS INC.	BUSINESS DEVELOPMENT BANK OF CANADA	
		REMARKS: YR2054122 TO YR2263104				
YR2263200	2015/03/04	DISCH OF CHARGE		*** COMPLETELY DELETED *** RETURN ON INNOVATION ADVISORS LTD.		
		REMARKS: YR1681692.				
YR2264069	2015/03/06	DISCH OF CHARGE		*** COMPLETELY DELETED *** LAURENTIAN BANK OF CANADA		
		REMARKS: YR2055079.				
YR2615454	2017/01/25	NOTICE		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	BUSINESS DEVELOPMENT BANK OF CANADA	
		REMARKS: YR2263104, DELETED BY YR2948501, 2019/11/05 BK				
YR2770511	2017/12/07	CHARGE		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	2273911 ONTARIO INC.	
YR2770515	2017/12/07	POSTPONEMENT		*** COMPLETELY DELETED *** NOVO PLASTICS INC.	2273911 ONTARIO INC.	
		REMARKS: YR2054122 TO YR2770511				
YR2933606	2019/02/27	CHARGE		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	BANK OF MONTREAL	
YR2933607	2019/02/27	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	BANK OF MONTREAL	
		REMARKS: YR2933606.				
YR2933608	2019/02/27	POSTPONEMENT		*** COMPLETELY DELETED *** NOVO PLASTICS INC.	BANK OF MONTREAL	
		REMARKS: YR2054122 TO YR2933606				
YR2934704	2019/02/28	DISCH OF CHARGE		*** COMPLETELY DELETED *** 2273911 ONTARIO INC.		
		REMARKS: YR2770511.				
YR2948501	2019/04/09	DISCH OF CHARGE		*** COMPLETELY DELETED *** BUSINESS DEVELOPMENT BANK OF CANADA		
		REMARKS: YR2263104.				
YR3245650	2021/05/04	NOTICE		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	BANK OF MONTREAL	

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD	
REMARKS: YR2933606 DELETED BY C. CHAPMAN ON 2024/04/23.							
YR3415163	2022/04/27	CHARGE		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	BANK OF MONTREAL		
YR3415164	2022/04/27	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 2139654 ONTARIO LIMITED	BANK OF MONTREAL		
REMARKS: YR3415163.							
YR3415170	2022/04/27	POSTPONEMENT		*** COMPLETELY DELETED *** NOVO PLASTICS INC.	BANK OF MONTREAL		
REMARKS: YR2054122 TO YR3415163							
YR3415172	2022/04/27	DISCH OF CHARGE	\$21,000,000	*** COMPLETELY DELETED *** BANK OF MONTREAL			
REMARKS: YR2933606.							
YR3514237	2023/01/10	CHARGE		2139654 ONTARIO LIMITED	THE TORONTO-DOMINION BANK		C
YR3514238	2023/01/10	NO ASSGN RENT SPEC		2139654 ONTARIO LIMITED	THE TORONTO-DOMINION BANK		C
REMARKS: YR2054122. YR2054122, YR3514237							
YR3521969	2023/02/03	DISCH OF CHARGE		*** COMPLETELY DELETED *** BANK OF MONTREAL			
REMARKS: YR3415163.							
YR3665823	2024/04/12	NOTICE		\$2 2139654 ONTARIO LIMITED	THE TORONTO-DOMINION BANK		C
REMARKS: YR3514237							
YR3774016	2025/03/07	NOTICE		\$1 2139654 ONTARIO LIMITED	THE TORONTO-DOMINION BANK		C
REMARKS: YR3514237							

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This is Exhibit "D" referred to in the Affidavit of Sicheng Lou
sworn before me this 10th day of April, 2026



Commissioner for Taking Affidavits



Midtown Commercial Banking Centre
2 St Clair Ave E Suite 500
Toronto, ON
M4T 2T5
Telephone No.: (416) 944 4029
Fax No.: (416) 961 3124

December 19, 2024

NOVO PLASTICS INC.

Attention: Mr. Baljit Sierra

Dear Mr. Sierra,

LETTER OF AGREEMENT

We are pleased to offer the Borrower the following credit facilities (the "Facilities"), subject to the following terms and conditions.

BORROWER

NOVO PLASTICS INC.	(Borrower A)
2139654 ONTARIO	(Borrower B)
LIMITED	

Collectively known as 'the Borrower'

Borrowers' Address
388 MARKLAND ST
MARKHAM, ON L6C 1Z6

LENDER

The Toronto-Dominion Bank (the "Bank"), through its Midtown branch in Toronto, ON.

CREDIT LIMIT

- A1) Ensure outstanding advances under Facility A1, including the face amount of any outstanding undrawn L/Cs, L/Gs, will be at all times the lesser:
- A) CAD\$4,300,000 (or its USD\$ Equivalent), AND
 - B) the TOTAL of

- (i) 85% of investment grade Accounts Receivable* value, net of statutory claims, accounts receivable aged greater than 90 days, accounts receivable due from related parties and contra accounts (if any).
- (ii) 90% of any EDC insured Accounts Receivables** net of statutory claims, accounts receivable aged greater than 90 days, accounts receivable due from related parties and contra accounts (if any).
- (iii) 80% of the total Accounts Receivable Value net of statutory claims, accounts receivable aged greater than 90 days, accounts receivable due from related parties and contra accounts (if any).
- (iv) 50% of the total ***Inventory Value (Raw Materials and Finished Goods) net of 30 day payables, WIP, except that the amount calculated under the above will not exceed CAD2,000,000.

*Investment grade Accounts Receivable are from public, Investment grade companies which have an S&P rating of BBB- and TD BRR equivalent rating of 3C or better.

**For purposes of calculating the Credit Limit, no value will be given to any uninsured foreign accounts receivables and any insured trade account receivable exceeding any: (i) Individual Buyer Credit Limits set out in the applicable policy; (ii) Relevant Country's Maximum Payment Terms as set out in the applicable policy; (iii) Relevant Country Maximum Liability Amount as set out in the applicable policy

***Inventory Value to be net of (i) inventory held at any location where the Bank does not have a perfected security interest and a satisfactory Landlord Waiver; (ii) WIP inventory and (iii) any Goods in Transit.

- A2) CAD\$1,784,485 as reduced pursuant to the section headed "Repayment and Reduction of Amount of Credit Facility".
- A3) Ensure outstanding advances under Facility A3 will be at all times the lesser of:
CAD\$500,000, AND

For Filed Claim, a Maximum 75% of refundable portion of filed ITC claim less Crown obligations.

For Authorized Claim, a Maximum 90% of refundable portion of filed ITC claim less Crown obligations.
- A4) Letters of Credit/Guarantee up to CAD\$500,000 which are 100% guaranteed by EDC.
- B1) CAD\$20,287,988 as reduced pursuant to the section headed "Repayment and Reduction of Amount of Credit Facility".
- B2) CAD\$750,000 as reduced pursuant to the section headed "Repayment and Reduction of Amount of Credit Facility".

TYPE OF CREDIT AND BORROWING OPTIONS

- A1) **Operating Loan** available at the Borrower's option by way of:
Supported
 - Prime Rate Based Loans in CAD\$ ("Prime Based Loans")
 - United States Base Rate Loans in USD\$ ("USBR Loans")

- Letters of Credit in CAD\$ or USD\$ ("L/Cs")

- A2) **Committed Reducing Term Facility (Single Draw)** available at the Borrower's option by way of:
- Fixed Rate Term Loan in CAD\$
 - Floating Rate Term Loan available by way of:
 - Prime Rate Based Loans in CAD\$ ("Prime Based Loans")
- A3) **Operating Loan** available at the Borrower's option by way of:
- Prime Rate Based Loans in CAD\$ ("Prime Based Loans")
- A4) **Letters of Credit/Guarantee Facility** upon Borrower's request supported by EDC Guarantee.
- B1) **Committed Reducing Term Facility (Single Draw)** available at the Borrower's option by way of:
- Fixed Rate Term Loan in CAD\$
 - Floating Rate Term Loan available by way of:
 - Prime Rate Based Loans in CAD\$ ("Prime Based Loans")
- B2) **Committed Reducing Term Facility (Single Draw)** available at the Borrower's option by way of:
- Fixed Rate Term Loan in CAD\$
 - Floating Rate Term Loan available by way of:
 - Prime Rate Based Loans in CAD\$ ("Prime Based Loans")

PURPOSE

- A1) To support ongoing working capital requirement
- A2) To assist with the buy out of the Borrower's existing RBC term loan that was used for leasehold Improvements and capital expenditures
- A3) To finance refundable portion of Investment Tax Credits resulting from the Federal Government's SR&ED incentive program
- A4) For issuance of Letters of Credit/Guarantee in favour of suppliers and other parties
- B1) To re-finance existing mortgage for property located at 388 Markland Street, Markham, Ontario and to take out additional equity from property.
- B2) Equity Take-out from the property located at 388 Markland Street, Markham, Ontario with funds used to repay amounts outstanding under the Operating Loan.

TENOR

- A1, A3, A4) Uncommitted
- A2, B1, B2) Committed

CONTRACTUAL

TERM

- A1, A3, A4) No term
- A2) 24 months to December 20, 2025
- B1) 36 months to January 10, 2026
- B2) Upon Drawdown, the lesser of 60 months or the Rate Term as selected by the Borrower

RATE TERM

- A2) 24 months to December 20, 2025
- B1) 36 months to January 10, 2026
- B2) Fixed rate: 12-60 months but never to exceed the Contractual Term Maturity Date
- A2, B1, B2) Floating rate: No term

AMORTIZATION

- A2) 84 months to December 20, 2030
- B1) 300 months to January 10, 2048
- B2) 300 months

INTEREST RATES AND FEES

Advances shall bear interest and fees as follows:

- A1) **Operating Loan:**
- Prime Based Loans: Prime Rate + 0.500% per annum
 - USBR Loans: USBR + 0.500% per annum
 - L/Cs: As advised by the Bank at the time of issuance of the L/C
- A2) **Committed Reducing Term Facility:**
- Fixed Rate Term Loans: 6.110% per annum for the Rate Term selected by the Borrower, and as set out in the Rate and Payment Terms Notice applicable to that Fixed Rate Term Loan.
 - Floating Rate Term Loans available by way of:
 - Prime Based Loans: Prime Rate + 0.500% per annum
- A3) **Operating Loan:**
- Prime Based Loans: Prime Rate + 0.500% per annum
- A4) **Letters of Credit/Guarantee Facility:**
- Fixed fee of 2% on issuance and renewal
- B1) **Committed Reducing Term Facility:**
- Fixed Rate Term Loans: 5.860% per annum for the Rate Term selected by the Borrower, and as set out in the Rate and Payment Terms Notice applicable to that Fixed Rate Term Loan.
 - Floating Rate Term Loans available by way of:
 - Prime Based Loans: Prime Rate + 0.500% per annum

B2) Committed Reducing Term Facility:

- Fixed Rate Term Loans: a percentage per annum or as determined by the Bank, in its sole discretion, for the Rate Term selected by the Borrower, and as set out in the Rate and Payment Terms Notice applicable to that Fixed Rate Term Loan.
- Floating Rate Term Loans available by way of:
 - Prime Based Loans: Prime Rate + 0.500% per annum

For all Facilities, interest payments will be made in accordance with Schedule "A" attached hereto unless otherwise stated in this Letter Agreement, or in the Rate and Payment Terms Notice or other notice delivered by the Bank to the Borrower applicable for a particular drawdown. Information on interest rate and fee definitions, interest rate calculations and payment is set out in the Schedule "A" attached hereto.

Interest on Fixed Rate Term Loans under Facility A2 is compounded Monthly and payable monthly in arrears.

Interest on Fixed Rate Term Loans under Facility B1 and B2 is compounded Semi-Annually and payable monthly in arrears.

**ARRANGEMENT
FEE**

- A1) A2) The Borrower has paid a non-refundable arrangement fee of \$4,000
 A3) A4)
- B2) The Borrower will pay prior to any drawdown hereunder a non-refundable arrangement fee of CAD\$1,500.

**ADMINISTRATION
FEE**

CAD\$200 per month.

RENEWAL FEE

CAD\$3,500 per annum.

EXCESS MONITORING FEE

The Borrower shall pay, unless waived by the Bank in the Bank's sole discretion, an Excess Monitoring Fee of \$250.00, payable in the currency of the Facility, each time that the Credit Limit of a Facility is exceeded. Any extension of credit above the Credit Limit will be at the Bank's sole and absolute discretion.

BORROWING BASE DEFAULT FEE

The Borrower shall pay, unless waived by the Bank in the Bank's sole discretion, a Borrowing Base Default Fee of \$250.00, payable in the currency of the Facility, each time a default of the Borrowing Base established for the Facility is not rectified in the reporting period that immediately follows. Any tolerance of a Borrowing Base default will be at the Bank's sole and absolute discretion.

LATE REPORTING FEE

The Borrower shall pay, unless waived by the Bank in the Bank's sole discretion, a Late Reporting Fee of \$250.00 per occurrence, and monthly thereafter until reporting is provided to the Bank, each time financial reporting is not provided within the timelines established in the Positive Covenants and Reporting Covenants.

DISCHARGE FEE

The Borrower shall pay, unless waived by the Bank in the Bank's sole discretion, a Discharge Fee of \$250.00 per collateral charge to prepare the documents needed to register the discharge of any collateral charge under the Bank Security, in addition to the applicable government fee(s) for registering each discharge.

EDC GUARANTEE FEES

The Borrower shall be responsible for all fees payable to Export Development Canada ("EDC") in connection with the provision of an EDC guarantee for Facility A4. The amount and frequency of such fees shall be in accordance with the fee schedule established from time to time by EDC. The guarantee fee is based on the authorized amount of Facility A4.

DRAWDOWN

Assigned Facilities	Description
A1)	The Borrower can use the Facility on a revolving basis, with up to CAD \$100,000.00 (or its US\$ Equivalent) L/C's or L/G's as carve out L/C's and L/G's: Upon written demand from Beneficiary, and Pricing to be advised by the Bank at the time of issuance.
A2)	Fully Drawn on December 20, 2023
A3)	For Filed Claim, a Maximum 75% of refundable portion of filed ITC claim less Crown obligations. For Authorized Claim, a Maximum 90% of refundable portion of filed ITC claim less Crown obligations.
A4)	Upon satisfaction of disbursement conditions, the applicable Standby Letter of Credit (LC) or Letter of Guarantee (LG) will be issued by Global Trade Finance, TD Securities.
B1)	Fully Drawn on January 10, 2023
B2)	One-time drawdown prior to April 30, 2025 and available up to the Credit Limit upon satisfaction of Disbursement Conditions. Any amount not drawn is cancelled. Amounts repaid may not be redrawn.

Notice periods, minimum amounts of draws, interest periods, contract maturity and interest payment dates for Term SOFR Loans, Term CORRA Loans, Daily Simple SOFR Loans and Daily Compounded CORRA loans and other similar details are set out in the Schedule "A" attached hereto and within the notice delivered by the Bank to the Borrower in respect of a specific drawdown under those availment options.

BUSINESS CREDIT SERVICE

The Borrower will have access to the Operating Loan (Facility A1) via Loan Account Number 1956-9385811 (the "Loan Account") up to the Credit Limit of the Operating Loan by withdrawing funds from the Borrower's Current Account Number 1968-5385811 (the "Current Account"). The Borrower agrees that each advance from the Loan Account will be in an amount equal to \$5,000 (the "Transfer Amount") or a multiple thereof. If the Transfer Amount is NIL, the Borrower agrees that an advance from the Borrower's Loan Account may be in an amount sufficient to cover the debits made to the Current Account.

The Borrower agrees that:

- a) all other overdraft privileges which have governed the Borrower's Current Account are hereby cancelled.
- b) all outstanding overdraft amounts under any such other agreements are now included in indebtedness under this Agreement.

The Bank may, but is not required to, automatically advance the Transfer Amount or a multiple thereof or any other amount from the Loan Account to the Current Account in order to cover the debits made to the Current Account if the amount in the Current Account is insufficient to cover the debits. The Bank may, but is not required to, automatically and without notice apply the funds in the Current Account in amounts equal to the Transfer Amount or any multiple thereof or any other amount to repay the outstanding amount in the Loan Account.

REPAYMENT AND REDUCTION OF AMOUNT OF CREDIT FACILITY

Assigned Facilities	Description
A1)	The Borrower agrees to repay the Bank on demand. If the Bank demands repayment, the Borrower will pay to the Bank all amounts outstanding under the Facility, including without limitation, as applicable, the amount of all unmatured Term CORRA Loans, Daily Compounded CORRA Loans, Daily Simple SOFR Loans and Term SOFR Loans and the amount of all drawn and undrawn L/Gs and L/Cs. All costs to the Bank and all loss suffered by the Bank in re-employing the amounts so repaid will be paid by the Borrower.
A2)	All amounts outstanding will be repaid on or before the Contractual Term Maturity Date. The drawdown will be repaid in equal monthly payments. The details of repayment and interest rate applicable to such drawdown will be set out in the "Rate and Payment Terms Notice" applicable to that drawdown. Any amounts repaid may not be reborrowed.
A3)	On demand. Filed Claim: Full repayment within 180 days of initial funding or upon receipt of ITC refund from CRA. Authorized Claim: Full repayment within 90 days of initial drawdown or upon receipt of ITC refund from CRA.
A4)	On demand. If the Bank demands repayment, the Borrower will pay to the Bank all amounts outstanding under the facility, including without limitation, the amount of all drawn and undrawn L/Gs and L/Cs. All costs to the Bank and all loss suffered by the Bank in re-employing the amounts so repaid will be paid by the Borrower.
B1)	All amounts outstanding will be repaid on or before the Contractual Term Maturity Date. i) Floating Rate: Equal monthly principal payments plus applicable interest. ii) Fixed Rate: Equal blended monthly payments of principal and interest.
B2)	All amounts outstanding will be repaid on or before the Contractual Term Maturity Date. i) Floating Rate: Equal monthly principal payments plus applicable interest. ii) Fixed Rate: Equal blended monthly payments of principal and interest.

PREPAYMENT

Assigned Facilities	Description
----------------------------	--------------------

A2, B1, B2) The Borrower has selected the 10% Prepayment Option and accordingly, Fixed Rate Term Loans under this Facility may be prepaid in accordance with Section 4a) and 4b) of Schedule A.

SECURITY

The following security shall be provided, shall, unless otherwise indicated, support all present and future indebtedness and liability of the Borrower and the grantor of the security to the Bank including without limitation indebtedness and liability under guarantees, foreign exchange contracts, cash management products, and derivative contracts, shall be registered in first position, and shall be on the Bank's standard form, supported by resolutions and solicitor's opinion, all acceptable to the Bank.

- a) General Security Agreement ("GSA") representing a First charge on all the Borrower's present and after acquired personal property, with Resolution and Solicitor's Letter of Opinion in the name 2139654 ONTARIO LIMITED – **On Hand**
- b) General Security Agreement ("GSA") representing a Second charge on all the Borrower's present and after acquired personal property, with Resolution and Solicitor's Letter of Opinion in the name NOVO PLASTICS INC – **On Hand**
- c) Continuing Collateral Mortgage, representing a First charge, on real property located at 288 Markland Street, Markham, Ontario in the principal amount of CAD \$26,500,000, beneficially owned by and registered in the name of 2139654 ONTARIO LIMITED – **To be Obtained (increased from \$23,500,000 to \$26,500,000)**
- d) Specific Assignment of Lease between 2139654 ONTARIO LIMITED and NOVO PLASTICS INC representing a First charge – **On Hand**
- e) Unlimited Corporate Guarantee of Advances executed by NOVO PLASTICS INC Solicitor's Letter of Opinion in support of 2139654 ONTARIO LIMITED – **On Hand**
- f) Assignment of Insurance in name 2139654 ONTARIO LIMITED with an amount that is satisfactory to the bank – **On Hand**.
- g) Assignment of Insurance in name NOVO PLASTICS INC with an amount that is satisfactory to the bank - **On Hand**
- h) Postponement and Assignment of Creditor's Claim executed by BALJIT SIERRA – **On Hand**
- i) Limited Personal Guarantee of Advances of \$1,500,00.00 executed by BALJIT SIERRA in support of NOVO PLASTICS INC and 2139654 ONTARIO LIMITED – **On Hand**
- k) EDC Insurance for 100% of the face value of Letters of Credit/Guarantees - **To Be Obtained**
- l) EDC Guarantee-Risk Transference for 100% of the face value of Letters of Credit/Guarantee - **To Be Obtained**
- m) EDC Accounts Receivable Insurance Policy - **To Be Obtained**

All persons and entities required to provide a guarantee shall be referred to in this Agreement individually as a "Surety" and/or "Guarantor" and collectively as the "Guarantors";

All of the above security and guarantees shall be referred to collectively in this Agreement as "Bank Security".

DISBURSEMENT CONDITIONS

The obligation of the Bank to permit any drawdown hereunder is subject to the Standard Disbursement Conditions contained in Schedule "A" and the following additional drawdown conditions:

Delivery to the Bank of the following, all of which must be satisfactory to the Bank:

Assigned Facilities	Description
B2)	All security & documentation to be on hand and in good order.
B2)	Copy of CRA account print out confirming that that all government remittances are current.
B2)	EDC Accounts Receivable Insurance to be in place and assigned to the Bank
A3)	Filed Claim: Comfort Letter from accounting/consulting firm. Comfort Letter to confirm/include the following: I. The company is a Canadian Controlled Private Company (CCPC); II. ITC Claim is complete and is being filed within the required 18 month period from fiscal year end; III. All government remittances are current; IV. The accounting/consulting firm assisted the company in the identification of eligible SR&ED expenditures; V. Comment on their impression of the success of the claim; VI. Amount of the ITC's claimed for the year, and the amount of the refundable portion of the ITC. VII. The company has booked the refundable portion of the ITC as a receivable. VIII. Confirmation that the filing meets all the requirements of the Federal SR&ED program. IX. Brief overview of issues which may impact the claim (As Required) Approved Claim: • Written confirmation of the amount of the ITC refund to be obtained from CRA. • Comfort Letter from accounting/consulting firm. Comfort Letter to confirm/include the following: I. All government remittances are current II. Comment on the likelihood of the company receiving the full amount of the refund as noted by CRA III. The company has booked the refundable portion of the ITC as a receivable
A4)	i. For any one Bank Instrument or Bank Instructions, the aggregate of (1) the principal amount payable by the Bank under a Bank Instrument or the Bank Instructions, and (2) any interest stated on the face of the Bank Instrument as being payable by the Bank or the Foreign Bank, as the case may be, which aggregate amount cannot exceed the equivalent of CAD 500,000 or an amount otherwise exceptionally confirmed in writing by EDC on the Request for Cover form. ii. Confirmation that a Request for Cover has been submitted, with receipt of executed Confirmation of Request for Cover to be hand from EDC along with confirmation that the Account PSG Fees have been paid. iii. EDC approval documentation and "Effectiveness Notification" are to be on hand and satisfactory to the Bank. iv. The maximum term of any individual Standby L/C or L/G is not to exceed 36 months, subject to the "Covered Instrument Validity Period" specified in the EDC Confirmation of Request for Cover. Term extensions are subject to EDC's approval. Automatic extensions are not permitted. v. All security to be on hand and in good order in addition to security item # K & L.

REPRESENTATIONS AND WARRANTIES

All representations and warranties shall be deemed to be continually repeated so long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect. The Borrower makes the Standard Representations and Warranties set out in Schedule "A".

POSITIVE COVENANTS

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will and will ensure that its subsidiaries and each of the Guarantors will observe the Standard Positive Covenants set out in Schedule "A" and in addition will:

Assigned Facilities	Description
----------------------------	--------------------

- | | |
|------|---|
| All) | Borrower to maintain all operating accounts with TD into which all revenues and expenses are to flow through with 90 days of funding of Facility #A1, and thereafter. |
| All) | Borrower to ensure that the applicable Insurance Premium is remitted to EDC in a timely manner to ensure the Policy remains in force. |
| All) | Borrower to maintain compliance with all terms and conditions of the EDC Credit Insurance Policy |

REPORTING COVENANTS

The Borrower and its subsidiaries and each of the Guarantors will provide:

Assigned Facilities	Description
----------------------------	--------------------

- | | |
|------|---|
| All) | Novo Plastics Inc. to provide annual review engagement financial statements within 120 calendar days of fiscal year end |
| All) | 2139654 Ontario Limited to provide annual notice to reader financial statements within 120 calendar days of fiscal year end |
| All) | Monthly Aged Accounts Receivable and Aged Accounts Payable Listing in addition to monthly inventory listings for Novo Plastics Inc within 25 days of each month end. Accounts Receivable listing to clearly outline EDC Insured AR's and the policy cap per Account Receivable. |
| All) | Provide confirmation to the Bank on an annual basis that taxes for the property located at 388 Markland Street, Markham, Ontario are current, such confirmation to be in a format acceptable to the Bank |
| All) | Annual Compliance Certificate within 120 days of calendar days of fiscal year end from the Borrower confirming that all government remittances are current |
| All) | Quarterly company prepared financial statements within 45 calendar days of fiscal quarter end |
| All) | Annual CAPEX budget to be provided within 120 days of fiscal year end |
| All) | Delivery of a Personal Financial Statement and Privacy Agreement from the Guarantor(s) and such supporting documentation as the Bank may reasonably request |

NEGATIVE COVENANTS

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will and will ensure that its subsidiaries and each of the Guarantors will observe the Standard Negative Covenants set out in Schedule "A". In addition the Borrower will not and will ensure that its subsidiaries and each of the Guarantors will not:

Assigned Facilities	Description
----------------------------	--------------------

- | | |
|------|--|
| All) | Create, incur, assume or suffer to exist any lease or easement that would restrict use of the property without the prior approval of the Bank. Such approval may not be unreasonable withheld. |
|------|--|

- All) Permit subsequent encumbrances of the subject Property without the Bank's prior written consent.
- All) Sell or transfer the Property or amend ownership without the prior written consent of the Bank.
- All) The Borrower agrees not to replace the EDC Credit Insurance policy with another insurance provider's policy without prior consent of the Bank

PERMITTED LIENS

Permitted Liens as referred to in Schedule "A" are:

Assigned Facilities	Description
All)	Purchase Money Security Interests in equipment which Purchase Money Security Interests exist on the date of this Agreement ("Existing PMSIs") which are known to the Bank and all future Purchase Money Security Interests on equipment acquired to replace the equipment under Existing PMSIs, provided that the cost of such replacement equipment may not exceed the cost of the equipment subject to the Existing PMSI by more than 10%

FINANCIAL COVENANTS

The Borrower agrees at all times to:

Assigned Facilities	Description
	Maintain a Debt Service Coverage ratio (DSC) of not less than 120%.
	For FYE 2025, DSC ratio to be reduced to 105%, increasing back to 120% by Q3 2026 (December 2025). Beginning April 1, 2025, DSC to be calculated on a quarterly trailing-twelve month basis (i.e. for FY 2026).
	The DSC is calculated as follows:
All)	Earnings before Interest, Taxes, Depreciation, and Amortization - Unfinanced Capital Expenditures - *Distribution) / (Principal + Interest)
	* Distributions are defined as dividends, share redemptions, repayment of shareholder/related party loans, and advances to shareholders/related parties.
	DSC to be calculated on a combined basis for Novo Plastics Inc. and 2139654 Ontario Limited

EVENTS OF DEFAULT

The Bank may accelerate the payment of principal and interest under any committed credit facility hereunder and cancel any undrawn portion of any committed credit facility hereunder, at any time after the occurrence of any one of the Standard Events of Default contained in Schedule "A" attached hereto.

ANCILLARY FACILITIES

As at the date of this Agreement, the following uncommitted ancillary products are made available. These products may be subject to other agreements.

- 1) TD Visa Business card or cards for an aggregate amount of \$405,000 under Borrower A.
- 2) TD Equipment Finance Facilities for an aggregate amount of \$5,000,000 under Borrower A.

AVAILABILITY OF OPERATING LOAN

The Operating Loan is uncommitted, made available at the Bank's discretion, and is not automatically available upon satisfaction of the terms and conditions, conditions precedent, or financial tests set out herein.

The occurrence of an Event of Default is not a precondition to the Bank's right to accelerate repayment and cancel the availability of the Operating Loan.

LANGUAGE PREFERENCE

It is the express wish of the parties that this Agreement and any directly or indirectly related documents be drawn up in English. Les parties ont exprimé la volonté expresse que cette convention et tous les documents s'y rattachant directement ou indirectement soient rédigés en anglais.

SCHEDULE "A" - STANDARD TERMS AND CONDITIONS

Schedule "A" sets out the Standard Terms and Conditions ("Standard Terms and Conditions") which apply to these credit facilities. The Standard Terms and Conditions, including the defined terms set out therein, form part of this Agreement, unless this letter states specifically that one or more of the Standard Terms and Conditions do not apply or are modified.

We trust you will find these facilities helpful in meeting your ongoing financing requirements. We ask that if you wish to accept this offer of financing (which includes the Standard Terms and Conditions), please do so by signing and returning the attached duplicate copy of this letter to the undersigned. This offer will expire if not accepted in writing and received by the Bank on or before **January 15, 2025**.

Yours truly,

THE TORONTO-DOMINION BANK

Maha Rahman

Maha Rahman
Relationship Manager

Kate Bailey

Kate Bailey
AVP, Commercial Credit

TO THE TORONTO-DOMINION BANK:

NOVO PLASTICS INC., and 2139654 ONTARIO LIMITED hereby accepts the foregoing offer this 16th day of JAN, 2024. The Borrower confirms that, except as may be set out above, the credit facilities detailed herein shall not be used by or on behalf of any third party.

NOVO PLASTICS INC.


 Signature


 Print Name & Position

2139654 ONTARIO LIMITED


 Signature


 Print Name & Position
cc. Guarantor(s)

The Bank is providing the guarantor(s) with a copy of this letter as a courtesy only. The delivery of a copy of this letter does not create any obligation of the Bank to provide the guarantor(s) with notice of any changes to the credit facilities, including without limitation, changes to the terms and conditions, increases or decreases in the amount of the credit facilities, the establishment of new credit facilities or otherwise. The Bank may, or may not, at its option, provide the guarantor(s) with such information, provided that the Bank will provide such information upon the written request of the guarantor.

SCHEDULE "A" - STANDARD TERMS AND CONDITIONS

1. INTEREST RATE DEFINITIONS

A Term CORRA rate expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such determined rate multiplied by the number of days in the calendar year in which the same is to be ascertained and divided by three hundred and sixty-five (365).

A Term SOFR rate expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such determined rate multiplied by the number of days in the calendar year in which the same is to be ascertained and divided by three hundred and sixty (360).

Interest rates will never be less than zero. If Prime Rate, Daily Compounded CORRA, Term CORRA, Daily Simple SOFR, Term SOFR, USBR or any other applicable base rate changes, resulting in a variable or floating annual interest rate that is a negative number, the interest rate will be 0.00%. Notwithstanding the foregoing, if a Floating Rate Loan with an interest rate based on Daily Compounded CORRA, Term CORRA, Daily Simple SOFR, or Term SOFR has been hedged in its entirety with an interest rate swap with the Bank (the "Swap") and the Swap does not include a negative interest rate floor, the foregoing negative interest rate floor shall not apply. However, for purposes of certainty, if the Swap is subsequently terminated or novated the restriction that interest rates shall never be less than 0.00% shall apply.

Any interest rate based on a period less than a year expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such determined rate multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the period upon which it was based.

The Bank does not warrant or accept responsibility for, and shall not have any liability with respect to the continuation of, administration of, submission of, calculation of or any other matter related to Term CORRA, Daily Compounded CORRA, Daily Simple SOFR, Term SOFR or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto, including whether the composition or characteristics of any such alternative, successor or replacement rate will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, Term CORRA, Daily Compounded CORRA, Daily Simple SOFR, Term SOFR or any other benchmark prior to its discontinuance or unavailability. The Bank and its affiliates or other related entities may engage in transactions that affect the calculation of the Prime Rate, Term CORRA, Daily Compounded CORRA, Daily Simple SOFR, Term SOFR, any alternative, successor or replacement rate or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Bank may select information sources or services in its reasonable discretion to ascertain Term CORRA, Daily Compounded CORRA, Daily Simple SOFR, Term SOFR or any other benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

2. INTEREST CALCULATION AND PAYMENT

Interest on Prime Based Loans and USBR Loans is calculated daily (including February 29 in a leap year) and payable monthly in arrears based on the number of days the subject loan is outstanding unless otherwise provided in the Rate and Payment Terms Notice. Interest is charged on February 29 in a leap year.

Interest on Daily Compounded CORRA Loans and Daily Simple SOFR Loans is calculated daily (including February 29 in a leap year) and payable on the interest payment date in arrears based on the number of days the subject loan is outstanding unless otherwise provided in the Rate and Payment Terms Notice or other form of notice provided by the Bank to the Borrower. Interest is charged on February 29 in a leap year.

Interest on Term SOFR Loans and Term CORRA Loans is calculated and payable at the end of the interest period or contract maturity in arrears, for the number of days in the Term SOFR or Term CORRA interest period, as applicable.

L/C and L/G fees are payable at the time set out in the Letter of Credit Indemnity Agreement applicable to the issued L/C or L/G.

Interest on Fixed Rate Term Loans is compounded monthly and payable monthly in arrears unless otherwise provided in the Rate and Payment Terms Notice.

Interest is payable both before and after maturity or demand, default and judgment.

Each payment under this Agreement shall be applied first in payment of costs and expenses, then interest and fees and the balance, if any, shall be applied in reduction of principal.

For loans not secured by real property, all overdue amounts of principal and interest and all amounts outstanding in excess of the Credit Limit shall bear interest from the date on which the same became due or from when the excess was incurred, as the case may be, until the date of payment or until the date the excess is repaid at the Bank's standard rate charged from time to time for overdrafts, or such lower interest rate if the Bank agrees to a lower interest rate in writing. Nothing in this clause shall be deemed to authorize the Borrower to incur loans in excess of the Credit Limit.

If any provision of this Agreement would oblige the Borrower to make any payment of interest or other amount payable to the Bank in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by the Bank of "interest" at a "criminal rate" (as such terms are construed under the Criminal Code (Canada)), then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by applicable law or so result in a receipt by the Bank of "interest" at a "criminal rate", such adjustment to be effected, to the extent necessary (but only to the extent necessary), as follows: first, by reducing the amount or rate of interest, and, thereafter, by reducing any fees, commissions, costs, expenses, premiums and other amounts required to be paid to the Bank which would constitute interest for purposes of section 347 of the Criminal Code (Canada).

3. DRAWDOWN PROVISIONS

Prime Based and USBR Loans

There is no minimum amount of drawdown by way of Prime Based Loans and USBR Loans, except as stated in this Agreement. The Borrower shall provide the Bank with 3 Business Days' notice of a requested Prime Based Loan or USBR Loan over \$1,000,000.

Daily Compounded CORRA Loans and Daily Simple SOFR Loans

Except as otherwise stated in this Agreement or agreed to by the Bank, the minimum amount of a drawdown by way of Daily Compounded CORRA Loans is CAD\$1,000,000 and the minimum amount of a drawdown by way of Daily Simple SOFR Loans is USD\$1,000,000. For committed facilities, the Borrower shall advise the Bank of the requested Daily Compounded CORRA Loan or Daily Simple SOFR Loan contract maturity or interest period. In no event shall the term of the Daily Compounded CORRA Loan or Daily Simple SOFR Loan contract under a committed facility exceed the Contractual Term Maturity Date or Maturity Date, as applicable. The Borrower shall provide the Bank with 3 Business Days' notice of a requested Daily Compounded CORRA Loans and Daily Simple SOFR Loans.

Term SOFR Loans and Term CORRA Loans

Except as otherwise stated in this Agreement or agreed to by the Bank, the minimum amount of a drawdown by way of Term CORRA Loans is CAD\$1,000,000 and the minimum amount of a drawdown by way of Term Simple SOFR Loans is USD\$1,000,000.

The Borrower shall advise the Bank of the requested Term SOFR Loan or Term CORRA Loan contract maturity or interest period. In no event shall the term or interest period of a Term SOFR Loan or Term CORRA Loan exceed the Contractual Term Maturity Date or Maturity Date, as applicable. The Borrower will provide the Bank with 3 Business Days' notice of a requested Term SOFR Loan or a Term CORRA Loan.

L/C and/or L/G

The Bank shall have the discretion to restrict the maturity date of L/Gs or L/Cs.

SOFR and CORRA - Conversion

Any portion of any Term CORRA Loan or Daily Compounded CORRA Loan that is not repaid, rolled over or converted in accordance with the applicable notice requirements hereunder shall be converted by the Bank to a Prime Based Loan effective as of the last day in the interest period or on the interest payment date, as applicable, of the Term CORRA Loan or the Daily Compounded CORRA Loan. The Bank may charge interest on the amount of the Prime Based Loan at the rate of 115% of the rate applicable to Prime Based Loans for the 3 Business Day period immediately following such maturity. Thereafter, the rate shall revert to the rate applicable to Prime Based Loans.

Any portion of any Term SOFR Loan or Daily Simple SOFR Loan that is not repaid, rolled over or converted in accordance with the applicable notice requirements hereunder shall be converted by the Bank to a USBR Loan effective as of the last day in the interest period or on the interest payment date, as applicable, of the Term SOFR Loan or the Daily Simple SOFR Loan. The Bank may charge interest on the amount of the USBR Loan at the rate of 115% of the rate applicable to USBR Loans for the 3 Business Day period immediately following such maturity. Thereafter, the rate shall revert to the rate applicable to USBR Loans.

The Borrower will advise the Bank at least 3 Business Days prior to the maturity of an interest rate period for a Term CORRA Loan or Term SOFR Loan under the Operating Loan as to whether the Term CORRA Loan or Term SOFR Loan will be (i) rolled over for an additional interest rate period of the same duration or (ii) converted to another borrowing option under this Agreement. If the Borrower fails to do so, the Term CORRA Loan or Term SOFR Loan will automatically be converted to a Prime Based Loan for Term CORRA Loans or USBR Loan for Term SOFR Loans at the end of the interest rate period.

SOFR and CORRA – Market Disruption, Benchmark Cessation

If the Bank determines, in its sole discretion, that (i) a normal market in Canada for the making of any or all tenors of Term CORRA Loans or Term SOFR Loans, or for the making of Daily Compounded CORRA Loans or Daily Simple SOFR Loans, does not exist, (ii) Term CORRA, Daily Compounded CORRA, Daily Simple SOFR or Term SOFR cannot be determined in accordance with the definition thereof on any given day, (iii) Term CORRA, Daily Compounded CORRA, Daily Simple SOFR or Term SOFR for any requested interest period with respect to a proposed Term CORRA Loan or Term SOFR Loan does not adequately and fairly reflect the cost to the Bank of making and maintaining such Term CORRA Loan, Daily Compounded CORRA Loan, Daily Simple SOFR Loan or Term SOFR Loan, as applicable, or (iv) a Benchmark Replacement Date has occurred with respect to Term CORRA, Daily Compounded CORRA, Daily Simple SOFR or Term SOFR, any right of the Borrower to request a drawdown (including any rollover or conversion) under the applicable borrowing option shall be suspended until the Bank advises otherwise. Any such drawdown (including any rollover or conversion) request during the suspension period for (i) Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, shall be deemed to be a drawdown notice requesting a Prime Based Loan in an equivalent amount, or (ii) Term SOFR Loans or Daily Simple SOFR Loans, as applicable, shall be deemed to be a drawdown notice requesting a USBR Loan in an equivalent amount.

Cash Management

The Bank may, and the Borrower hereby authorizes the Bank to, drawdown under the Operating Loan or Farm Property Line of Credit to satisfy any obligations of the Borrower to the Bank in connection with any

cash management service provided by the Bank to the Borrower. The Bank may drawdown under the Operating Loan or Farm Property Line of Credit even if the drawdown results in amounts outstanding in excess of the Credit Limit.

Notice

Prior to each drawdown under a Fixed Rate Term Loan, other than a Long Term Farm Loan, an Agriculture Term Loan, a Canadian Agricultural Loans Act Loan, a Dairy Term Loan or a Poultry Term Loan and at least 10 days prior to the maturity of each Rate Term, the Borrower will advise the Bank of its selection of drawdown options from those made available by the Bank. The Bank will, after each drawdown, other than drawdowns by way of Daily Compounded CORRA or Daily Simple SOFR Loan or under the operating loan, send a Rate and Payment Terms Notice to the Borrower.

At least 10 days prior to the contract maturity or the last day of the interest period for a Term CORRA Loan, Daily Compounded CORRA Loan, Term SOFR Loan or Daily Simple SOFR Loan, the Borrower will advise the Bank of its election to repay the loan in full; roll over the loan by electing to continue such loan for an additional interest period for the same tenor as the initial period, and thereafter, each successive period, (subject to availability hereunder); or convert the loan to another interest rate type and term available under this Letter Agreement. In no event shall the term of any Term CORRA Loan, Daily Compounded CORRA Loan, Term SOFR Loan or Daily Simple SOFR Loan exceed the Contractual Term Maturity Date or Maturity Date, as applicable. The Bank will, after each drawdown or election hereunder with respect to a Term CORRA Loan, Daily Compounded CORRA Loan, Term SOFR Loan or Daily Simple SOFR Loan, send a Rate and Payment Terms Notice or other noticed delivered by the Bank to the Borrower.

4. PREPAYMENT

Fixed Rate Term Loans

10% Prepayment Option Chosen.

- (a) Once, each calendar year, ("Year"), the Borrower may, provided that an Event of Default has not occurred, prepay in one lump sum, an amount of principal outstanding under a Fixed Rate Term Loan not exceeding 10% of the original amount of the Fixed Rate Term Loan, upon payment of all interest accrued to the date of prepayment without paying any prepayment charge. If the prepayment privilege is not used in one Year, it cannot be carried forward and used in a later Year.
- (b) Provided that an Event of Default has not occurred, the Borrower may prepay more than 10% of the original amount of a Fixed Rate Term Loan in any Year, upon payment of all interest accrued to the date of prepayment and an amount equal to the greater of:
 - i) three months' interest on the amount of the prepayment (the amount of prepayment is the amount of prepayment exceeding the 10% limit described in Section 4(a)) using the interest rate applicable to the Fixed Rate Term Loan being prepaid; and
 - ii) the Yield Maintenance, being the difference between:
 - a. the current outstanding principal balance of the Fixed Rate Term Loan; and
 - b. the sum of the present values as of the date of the prepayment of the future payments to be made on the Fixed Rate Term Loan until the last day of a Rate Term, plus the present value of the principal amount of the Fixed Rate Term Loan that would have been due on the maturity of the Rate Term, when discounted at the Government of Canada bond yield rate with a term which has the closest maturity to the unexpired term of the Fixed Rate Term Loan.

10% Prepayment Option Not Chosen.

- (c) The Borrower may, provided that an Event of Default has not occurred, prepay all or any part of the principal then outstanding under a Fixed Rate Term Loan upon payment of all interest accrued to the date of prepayment and an amount equal to the greater of:
- i) three months' interest on the amount of the prepayment using the interest rate applicable to the Fixed Rate Term Loan being prepaid; and
 - ii) the Yield Maintenance, being the difference between:
 - a. the current outstanding principal balance of the Fixed Rate Term Loan; and
 - b. the sum of the present values as of the date of the prepayment of the future payments to be made on the Fixed Rate Term Loan until the last day of the Rate Term, plus the present value of the principal amount of the Fixed Rate Term Loan that would have been due on the maturity of the Rate Term when discounted at the Government of Canada bond yield rate with a term which has the closest maturity to the unexpired term of the Fixed Rate Term Loan.

Term CORRA Loans and Term SOFR Loans

The Borrower may prepay the whole or any part the principal outstanding under a Term CORRA Loan or Term SOFR Loan at any time upon payment of all interest accrued to the date of the prepayment, all costs to the Bank in unwinding the Term CORRA Loan or Term SOFR Loan and any loss suffered by the Bank in re-employing the amounts so repaid.

Floating Rate Term Loans

The Borrower may prepay the whole or any part of the principal outstanding under a Floating Rate Term Loan, other than Daily Compounded CORRA Loans and Daily Simple SOFR Loans, at any time upon payment of all accrued interest to the date of the prepayment without the payment of prepayment charges.

The Borrower may prepay the whole or any part of the principal outstanding under a Daily Compounded CORRA Loan and Daily Simple SOFR Loan at any time upon payment of all accrued interest to the date of the prepayment, costs to the Bank of unwinding the Daily Compounded CORRA Loan or Daily Simple SOFR Loan and any loss suffered by the Bank in re-employing amounts repaid.

5. STANDARD DISBURSEMENT CONDITIONS

The obligation of the Bank to permit any drawdowns hereunder at any time is subject to the following conditions precedent:

- a) The Bank shall have received the following documents which shall be in form and substance satisfactory to the Bank:
 - i) A copy of a duly executed resolution of the Board of Directors of the Borrower empowering the Borrower to enter into this Agreement;
 - ii) A copy of any necessary government approvals authorizing the Borrower to enter into this Agreement;
 - iii) All of the Bank Security and supporting resolutions and solicitors' letter of opinion required hereunder;
 - iv) The Borrower's compliance certificate certifying compliance with all terms and conditions hereunder;
 - v) All operation of account documentation; and
 - vi) For drawdowns under the Facility by way of L/C or L/G, the Bank's standard form Letter of Credit Indemnity Agreement
- b) The representations and warranties contained in this Agreement are correct.

- c) No event has occurred and is continuing which constitutes an Event of Default or would constitute an Event of Default, but for the requirement that notice be given or time elapse or both.
- d) The Bank has received the arrangement fee payable hereunder (if any) and the Borrower has paid all legal and other expenses incurred by the Bank in connection with the Agreement or the Bank Security.

6. STANDARD REPRESENTATIONS AND WARRANTIES

The Borrower hereby represents and warrants, which representations and warranties shall be deemed to be continually repeated so long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, that:

- a) The Borrower is a duly incorporated corporation, a limited partnership, partnership, or sole proprietorship, duly organized, validly existing and in good standing under the laws of the jurisdiction where the Branch/Centre is located and each other jurisdiction where the Borrower has property or assets or carries on business and the Borrower has adequate corporate power and authority to carry on its business, own property, borrow monies and enter into agreements therefore, execute and deliver the Agreement, the Bank Security, and documents required hereunder, and observe and perform the terms and provisions of this Agreement.
- b) There are no laws, statutes or regulations applicable to or binding upon the Borrower and no provisions in its charter documents or in any by-laws, resolutions, contracts, agreements, or arrangements which would be contravened, breached, violated as a result of the execution, delivery, performance, observance, of any terms of this Agreement.
- c) No Event of Default has occurred nor has any event occurred which, with the passage of time or the giving of notice, would constitute an Event of Default under this Agreement or which would constitute a default under any other agreement.
- d) There are no actions, suits or proceedings, including appeals or applications for review, or any knowledge of pending actions, suits, or proceedings against the Borrower and its subsidiaries, before any court or administrative agency which would result in any material adverse change in the property, assets, financial condition, business or operations of the Borrower.
- e) All material authorizations, approvals, consents, licenses, exemptions, filings, registrations and other requirements of governmental, judicial and public bodies and authorities required to carry on its business have been or will be obtained or effected and are or will be in full force and effect.
- f) The financial statements and forecasts delivered to the Bank fairly present the present financial position of the Borrower, and have been prepared by the Borrower and its auditors in accordance with the International Financial Reporting Standards or GAAP for Private Enterprises.
- g) All of the remittances required to be made by the Borrower to the federal government and all provincial and municipal governments have been made, are currently up to date and there are no outstanding arrears. Without limiting the foregoing, all employee source deductions (including income taxes, Employment Insurance and Canada Pension Plan), sales taxes (both provincial and federal), corporate income taxes, corporate capital taxes, payroll taxes and workers' compensation dues are currently paid and up to date.
- h) If the Bank Security includes a charge on real property, the Borrower or Guarantor, as applicable, is the legal and beneficial owner of the real property with good and marketable title in fee simple thereto, free from all easements, rights-of-way, agreements, restrictions, mortgages, liens, executions and other encumbrances, save and except for those approved by the Bank in writing.
- i) All information that the Borrower has provided to the Bank is accurate and complete respecting, where applicable:
 - i) the names of the Borrower's directors and the names and addresses of the Borrower's beneficial owners;

- ii) the names and addresses of the Borrower's trustees, known beneficiaries and/or settlors;
and
- iii) the Borrower's ownership, control and structure.

7. STANDARD POSITIVE COVENANTS

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will, and will ensure that its subsidiaries and each of the Guarantors will:

- a) Pay all amounts of principal, interest and fees on the dates, times and place specified herein, under the Rate and Payment Terms Notice, and under any other agreement between the Bank and the Borrower.
- b) Advise the Bank of any change in the amount and the terms of any credit arrangement made with other lenders or any action taken by another lender to recover amounts outstanding with such other lender.
- c) Advise promptly after the happening of any event which will result in a material adverse change in the financial condition, business, operations, or prospects of the Borrower or the occurrence of any Event of Default or default under this Agreement or under any other agreement for borrowed money.
- d) Do all things necessary to maintain in good standing its corporate existence and preserve and keep all material agreements, rights, franchises, licenses, operations, contracts or other arrangements in full force and effect.
- e) Take all necessary actions to ensure that the Bank Security and its obligations hereunder will rank ahead of all other indebtedness of and all other security granted by the Borrower.
- f) Pay all taxes, assessments and government charges unless such taxes, assessments, or charges are being contested in good faith and appropriate reserves shall be made with funds set aside in a separate trust fund.
- g) Provide the Bank with information and financial data as it may request from time to time, including, without limitation, such updated information and/or additional supporting information as the Bank may require with respect to any or all the matters in the Borrower's representation and warranty in Section 6(i).
- h) Maintain property, plant and equipment in good repair and working condition.
- i) Inform the Bank of any actual or probable litigation and furnish the Bank with copies of details of any litigation or other proceedings, which might affect the financial condition, business, operations, or prospects of the Borrower.
- j) Provide such additional security and documentation as may be required from time to time by the Bank or its solicitors.
- k) Continue to carry on the business currently being carried on by the Borrower its subsidiaries and each of the Guarantors at the date hereof.
- l) Maintain adequate insurance on all of its assets, undertakings, and business risks.
- m) Permit the Bank or its authorized representatives full and reasonable access to its premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom.
- n) Comply with all applicable laws.

8. STANDARD NEGATIVE COVENANTS

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will not and will ensure that its subsidiaries and each of the Guarantors will not:

- a) Create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to any of its assets or undertakings, now owned or hereafter acquired, except for those Permitted Liens, if any, set out in the Letter.
- b) Create, incur, assume or suffer to exist any other indebtedness for borrowed money (except for indebtedness resulting from Permitted Liens, if any) or guarantee or act as surety or agree to indemnify the debts of any other Person.
- c) Merge or consolidate with any other Person, or acquire all or substantially all of the shares, assets or business of any other Person.
- d) Sell, lease, assign, transfer, convey or otherwise dispose of any of its now owned or hereafter acquired assets (including, without limitation, shares of stock and indebtedness of subsidiaries, receivables and leasehold interests), except for inventory disposed of in the ordinary course of business.
- e) Terminate or enter into a surrender of any lease of any property mortgaged under the Bank Security.
- f) Cease to carry on the business currently being carried on by each of the Borrower, its subsidiaries, and the Guarantors at the date hereof.
- g) Permit any change of ownership or change in the capital structure of the Borrower.

9. ENVIRONMENTAL

The Borrower represents and warrants (which representation and warranty shall continue throughout the term of this Agreement) that the business of the Borrower, its subsidiaries and each of the Guarantors is being operated in compliance with applicable laws and regulations respecting the discharge, omission, spill or disposal of any hazardous materials and that any and all enforcement actions in respect thereto have been clearly conveyed to the Bank.

The Borrower shall, at the request of the Bank from time to time, and at the Borrower's expense, obtain and provide to the Bank an environmental audit or inspection report of the property from auditors or inspectors acceptable to the Bank.

The Borrower hereby indemnifies the Bank, its officers, directors, employees, agents and shareholders, and agrees to hold each of them harmless from all loss, claims, damages and expenses (including legal and audit expenses) which may be suffered or incurred in connection with the indebtedness under this Agreement or in connection with the Bank Security.

10. STANDARD EVENTS OF DEFAULT

The Bank may accelerate the payment of principal and interest under any committed credit facility hereunder and cancel any undrawn portion of any committed credit facility hereunder, at any time after the occurrence of any one of the following Events of Default:

- a) Non-payment of principal outstanding under this Agreement when due or non-payment of interest or fees outstanding under this Agreement within 3 Business Days of when due.
- b) If any representation, warranty or statement made hereunder or made in connection with the execution and delivery of this Agreement or the Bank Security is false or misleading at any time.

- c) If any representation or warranty made or information provided by the Guarantor to the Bank from time to time, including without limitation, under or in connection with the Personal Financial Statement and Privacy Agreement provided by the Guarantor, is false or misleading at any time.
- d) If there is a breach or non-performance or non-observance of any term or condition of this Agreement or the Bank Security and, if such default is capable to being remedied, the default continues unremedied for 5 Business Days after the occurrence.
- e) If the Borrower, any one of its subsidiaries, or, if any of the Guarantors makes a general assignment for the benefit of creditors, files or presents a petition, makes a proposal or commits any act of bankruptcy, or if any action is taken for the winding up, liquidation or the appointment of a liquidator, trustee in bankruptcy, custodian, curator, sequestrator, receiver or any other officer with similar powers or if a judgment or order shall be entered by any court approving a petition for reorganization, arrangement or composition of or in respect of the Borrower, any of its subsidiaries, or any of the Guarantors or if the Borrower, any of its subsidiaries, or any of the Guarantors is insolvent or declared bankrupt.
- f) If there exists a voluntary or involuntary suspension of business of the Borrower, any of its subsidiaries, or any of the Guarantors.
- g) If action is taken by an encumbrancer against the Borrower, any of its subsidiaries, or any of the Guarantors to take possession of property or enforce proceedings against any assets.
- h) If any final judgment for the payment of monies is made against the Borrower, any of its subsidiaries, or any of the Guarantors and it is not discharged within 30 days from the imposition of such judgment.
- i) If there exists an event, the effect of which with lapse of time or the giving of notice, will constitute an event of default or a default under any other agreement for borrowed money in excess of the Cross Default Threshold entered into by the Borrower, any of its subsidiaries, or any of the Guarantors.
- j) If the Borrower, any one of its subsidiaries, or any of the Guarantors default under any other present or future agreement with the Bank or any of the Bank's subsidiaries, including without limitation, any other loan agreement, forward foreign exchange transactions, interest rate and currency and/or commodity swaps.
- k) If the Bank Security is not enforceable or if any party to the Bank Security shall dispute or deny any liability or any of its obligations under the Bank Security, or if any Guarantor terminates a guarantee in respect of future advances.
- l) If, in the Bank's determination, a material adverse change occurs in the financial condition, business operations or prospects of the Borrower, any of the Borrower's subsidiaries, or any of the Guarantors.
- m) If the Borrower or a Guarantor is an individual, the Borrower or such Guarantor dies or is found by a court to be incapable of managing his or her affairs.

11. ACCELERATION

If the Bank accelerates the payment of principal and interest hereunder, the Borrower shall immediately pay to the Bank all amounts outstanding hereunder, including without limitation, the amount of unmatured Term CORRA Loans, Daily Compounded CORRA Loans, Term SOFR Loans and Daily Simple SOFR Loans and the amount of all drawn and undrawn L/Gs and L/Cs. All cost to the Bank of unwinding Term CORRA Loans and Term SOFR Loans and all loss suffered by the Bank in re-employing amounts repaid will be paid by the Borrower.

The Bank may demand the payment of principal and interest under the Operating Loan or Farm Property Line of Credit (and any other uncommitted facility) hereunder and cancel any undrawn portion of the Operating Loan or Farm Property Line of Credit (and any other uncommitted facility) hereunder, at any time whether or not an Event of Default has occurred.

12. INDEMNITY

The Borrower agrees to indemnify the Bank from and against any and all claims, losses and liabilities arising or resulting from this Agreement. USD loans must be repaid with USD and CAD loans must be repaid with CAD and the Borrower shall indemnify the Bank for any loss suffered by the Bank if USD loans are repaid with CAD or vice versa, whether such payment is made pursuant to an order of a court or otherwise. In no event will the Bank be liable to the Borrower for any direct, indirect or consequential damages arising in connection with this Agreement.

13. TAXATION ON PAYMENTS

All payments made by the Borrower to the Bank will be made free and clear of all present and future taxes (excluding the Bank's income taxes), withholdings or deductions of whatever nature. If these taxes, withholdings or deductions are required by applicable law and are made, the Borrower, shall, as a separate and independent obligation, pay to the Bank all additional amounts as shall fully indemnify the Bank from any such taxes, withholdings or deductions.

14. REPRESENTATION

No representation or warranty or other statement made by the Bank concerning any of the Facilities shall be binding on the Bank unless made by it in writing as a specific amendment to this Agreement.

15. CHANGING THE AGREEMENT

- a) The Bank may, from time to time, unilaterally change the provisions of this Agreement where (i) the provisions of the Agreement relate to the Operating Loan or Farm Property Line of Credit (and any other uncommitted facility), including changing or adding fees that may be charged in connection therewith, or (ii) such change is for the benefit of the Borrower, or made at the Borrower's request, including without limitation, decreases to fees or interest payable hereunder or (iii) where such change makes compliance with this Agreement less onerous to the Borrower, including without limitation, release of security. These changes can be made by the Bank providing written notice to the Borrower of such changes in the form of a specific waiver or a document constituting an amending agreement. The Borrower is not required to execute such waiver or amending agreement, unless the Bank requests the Borrower to sign such waiver or amending agreement. A change in the Prime Rate and USBR is not an amendment to the terms of this Agreement that requires notification to be provided to the Borrower.
- b) Changes to the Agreement, other than as described in a) above, including changes to covenants and fees payable by the Borrower, are required to be agreed to by the Bank and the Borrower in writing, by the Bank and the Borrower each signing an amending agreement.
- c) The Bank is not required to notify a Guarantor of any change in the Agreement, including any increase in the Credit Limit.

16. ADDED COST

If the introduction of or any change in any present or future law, regulation, treaty, official or unofficial directive, or regulatory requirement, (whether or not having the force of law) or in the interpretation or application thereof, relates to:

- i) the imposition or exemption of taxation of payments due to the Bank or on reserves or deemed reserves in respect of the undrawn portion of any Facility or loan made available hereunder; or,
- ii) any reserve, special deposit, regulatory or similar requirement against assets, deposits, or loans or other acquisition of funds for loans by the Bank; or,
- iii) the amount of capital required or expected to be maintained by the Bank as a result of the existence of the advances or the commitment made hereunder;

and the result of such occurrence is, in the sole determination of the Bank, to increase the cost of the Bank or to reduce the income received or receivable by the Bank hereunder, the Borrower shall, on demand by the Bank, pay to the Bank that amount which the Bank estimates will compensate it for such additional cost or reduction in income and the Bank's estimate shall be conclusive, absent manifest error.

17. EXPENSES

The Borrower shall pay, within 5 Business Days following notification, any fees and expenses (including but not limited to all legal fees) incurred by the Bank in connection with the preparation, registration, ongoing administration, and discharge of this Agreement and the Bank Security and with the enforcement of the Bank's rights and remedies under this Agreement and the Bank Security whether or not any amounts are advanced under the Agreement. These fees and expenses shall include, but not be limited to, any outside counsel fees and expenses, and any all in-house legal fees and expenses (if in-house counsel are used), and any outside professional advisory fees and expenses, and any registration, renewal and discharge fees in connection with the Bank Security, including but not limited to, as applicable, land registry, intellectual property registry, Personal Property Security Act, and Le Registre des droits personnels et réels mobiliers fees as established by the applicable federal, provincial and/or territorial government(s) from time to time. The Borrower shall pay interest on unpaid amounts due pursuant to this paragraph at the All-In Rate plus 2% per annum.

Without limiting the generality of Section 25, the Bank or the Bank's agent, is authorized to debit any of the Borrower's accounts with the amount of the fees and expenses owed by the Borrower hereunder, including any registration, renewal and discharge fee as described in this section in connection with the Bank Security, even if that debiting creates an overdraft in any such account. If there are insufficient funds in the Borrower's accounts to reimburse the Bank or its agent for payment of the fees and expenses owed by the Borrower hereunder, the amount debited to the Borrower's accounts shall be deemed to be a Prime Based Loan under the Operating Loan or Farm Property Line of Credit.

The Borrower will, if requested by the Bank, sign a Pre-Authorized Payment Authorization in a format acceptable to the Bank to permit the Bank's agent to debit the Borrower's accounts as contemplated in this Section.

18. NON WAIVER

Any failure by the Bank to object to or take action with respect to a breach of this Agreement or any Bank Security or upon the occurrence of an Event of Default shall not constitute a waiver of the Bank's right to take action at a later date on that breach. No course of conduct by the Bank will give rise to any reasonable expectation which is in any way inconsistent with the terms and conditions of this Agreement and the Bank Security or the Bank's rights thereunder.

19. EVIDENCE OF INDEBTEDNESS

The Bank shall record on its records the amount of all loans made hereunder, payments made in respect thereto, and all other amounts becoming due to the Bank under this Agreement. The Bank's records constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Bank pursuant to this Agreement.

The Borrower will sign the Bank's standard form Letter of Credit Indemnity Agreement for all L/Cs and L/Gs issued by the Bank.

With respect to chattel mortgages taken as Bank Security, this Agreement is the Promissory Note referred to in same chattel mortgage, and the indebtedness incurred hereunder is the true indebtedness secured by the chattel mortgage.

20. ENTIRE AGREEMENTS

This Agreement replaces any previous letter agreements dealing specifically with terms and conditions of the credit facilities described in the Letter. Agreements relating to other credit facilities made available by the Bank continue to apply for those other credit facilities. This Agreement, and if applicable, the Letter of Credit Indemnity Agreement, are the entire agreements relating to the Facilities described in this Agreement.

21. NON-MERGER

Notwithstanding the execution, delivery or registration of the Bank Security and notwithstanding any advances made pursuant thereto, this Agreement shall continue to be valid, binding and enforceable and shall not merge as a result thereof. Any default under this Agreement shall constitute concurrent default under the Bank Security. Any default under the Bank Security shall constitute concurrent default under this Agreement. In the event of an inconsistency between the terms of this Agreement and the terms of the Bank Security, the terms of this Agreement shall prevail and the inclusion of any term in the Bank Security that is not dealt with in this Agreement shall not be an inconsistency.

22. ASSIGNMENT

The Bank may assign or grant participation in all or part of this Agreement or in any loan made hereunder without notice to and without the Borrower's consent.

The Borrower may not assign or transfer all or any part of its rights or obligations under this Agreement.

23. RELEASE OF INFORMATION

The Borrower hereby irrevocably authorizes and directs the Borrower's accountant, (the "Accountant") to deliver all financial statements and other financial information concerning the Borrower to the Bank and agrees that the Bank and the Accountant may communicate directly with each other.

24. FX CLOSE OUT

The Borrower hereby acknowledges and agrees that in the event any of the following occur: (i) Default by the Borrower under any forward foreign exchange contract ("FX Contract"); (ii) Default by the Borrower in payment of monies owing by it to anyone, including the Bank; (iii) Default in the performance of any other obligation of the Borrower under any agreement to which it is subject; or (iv) the Borrower is adjudged to be or voluntarily becomes bankrupt or insolvent or admits in writing to its inability to pay its debts as they come due or has a receiver appointed over its assets, the Bank shall be entitled without advance notice to the Borrower to close out and terminate all of the outstanding FX Contracts entered into hereunder, using normal commercial practices employed by the Bank, to determine the gain or loss for each terminated FX contract. The Bank shall then be entitled to calculate a net termination value for all of the terminated FX Contracts which shall be the net sum of all the losses and gains arising from the termination of the FX Contracts which net sum shall be the "Close Out Value" of the terminated FX Contracts. The Borrower acknowledges that it shall be required to forthwith pay any positive Close Out Value owing to the Bank and the Bank shall be required to pay any negative Close Out Value owing to the Borrower, subject to any rights of set-off to which the Bank is entitled or subject.

25. SET-OFF

In addition to and not in limitation of any rights now or hereafter granted under applicable law, the Bank may at any time and from time to time without notice to the Borrower or any other Person, any notice being expressly waived by the Borrower, set-off and compensate and apply any and all deposits, general or special, time or demand, provisional or final, matured or unmatured, in any currency, and any other indebtedness or amount payable by the Bank (irrespective of the place of payment or booking office of the obligation), to or for the credit of or for the Borrower's account, including without limitation, any amount owed by the Bank to the Borrower under any FX Contract or other treasury or derivative product, against and on account of the indebtedness and liability under this Agreement notwithstanding that any of them

are contingent or unmatured or in a different currency than the indebtedness and liability under this Agreement.

When applying a deposit or other obligation in a different currency than the indebtedness and liability under this Agreement to the indebtedness and liability under this Agreement, the Bank will convert the deposit or other obligation to the currency of the indebtedness and liability under this Agreement using the exchange rate determined by the Bank at the time of the conversion.

26. SEVERABILITY

In the event any one or more of the provisions of this Agreement shall for any reason, including under any applicable statute or rule of law, be held to be invalid, illegal or unenforceable, that part will be severed from this Agreement and will not affect the enforceability of the remaining provisions of this Agreement, which shall remain in full force and effect.

27. MISCELLANEOUS

- i) The Borrower has received a signed copy of this Agreement;
- ii) If more than one Person, firm or corporation signs this Agreement as the Borrower, each party is jointly and severally liable hereunder, and the Bank may require payment of all amounts payable under this Agreement from any one of them, or a portion from each, but the Bank is released from any of its obligations by performing that obligation to any one of them;
- iii) Accounting terms will (to the extent not defined in this Agreement) be interpreted in accordance with accounting principles established from time to time by the Canadian Institute of Chartered Accountants (or any successor) consistently applied, and all financial statements and information provided to the Bank will be prepared in accordance with those principles;
- iv) This Agreement is governed by the law of the Province or Territory where the Branch/Centre is located;
- v) Unless stated otherwise, all amounts referred to herein are in Canadian dollars.
- vi) If the Borrower qualifies as an Eligible Enterprise and the facility/ies hereunder are not secured by a mortgage on real property, the Borrower has the right to cancel this Agreement without incurring a cancellation charge until the end of the third Business Day after the day on which this Agreement is entered into and may be entitled to the refund of certain fees other than (i) any amounts related to the use of the product or service prior to its cancellation; and (ii) any expense that the Bank has reasonably incurred in providing the product or service. Eligible Enterprise, as defined in the Bank Act, means a business with authorized credit of less than CAD\$1,000,000, fewer than 500 employees and annual revenues of less than CAD\$50,000,000.
- vii) If any payment hereunder becomes due and payable on a day which is not a Business Day, the due date of such payment shall be extended to the next succeeding Business Day on which such payment shall be due and payable. Notwithstanding the foregoing, if a payment with respect to a Term CORRA Loan, Daily Compounded CORRA Loan, Term SOFR Loan or Daily Simple SOFR Loan becomes due and payable on a day which is not a Business Day and the next succeeding Business Day is in a succeeding calendar month, the due date of such payment shall be the immediately preceding Business Day.

28. CUSTOMER RESOLUTION PROCESS

Refer to our complaint handling procedures in our brochure, [Do you have a complaint?](#). You can find this brochure at any retail branch, Commercial Banking Centre, or on our website at td.com.

29. CONSENT TO TD HANDLING OF YOUR PERSONAL INFORMATION AND PRIVACY POLICY

In this Section 29 and elsewhere in this Agreement, where applicable, "you" and "your" means the Borrower and "we", "our" and "us" means the Bank.

You consent to Our Privacy Policy. You agree that the Bank (which includes The Toronto- Dominion Bank and affiliated companies) may handle your personal information as we set out in our Privacy Policy. You can find our Privacy Policy online at td.com/privacy.

You have choices. The Privacy Policy outlines your options, where available, to refuse or withdraw your consent.

Here is a summary of our Privacy Policy.

We collect, use, share and retain your information to:

- Identify you
- Process your application
- Provide you ongoing service
- Communicate with you
- Personalize our relationship with you
- Improve TD products and services
- Protect against fraud, financial abuse and error
- Manage and assess our risks
- Meet legal and regulatory obligations

We collect information (for the purposes set out above) from you and others including:

- Payment card networks
- Lenders
- Insurers
- Fraud prevention agencies and registries
- Any other people you have allowed us to contact
- From your interactions with us, including on your mobile device or the internet, cameras at our property and records of your use of our products and services

We may share your information (for the purposes set out above) with these parties. Some of them may be located outside your province/territory or outside Canada:

- TD affiliates
- Fraud prevention agencies and registries
- Lenders
- Companies that we work with to provide products or services
- Insurers
- Payment card networks

We retain your information:

We keep your information for as long as we reasonably need it for the purposes set out above.

We may communicate with you:

We may communicate with you about your application. And about your existing and other products and services that may be of interest to you. We may contact you by mail, phone at the number(s) you have provided, text, email or other electronic methods

You can opt out of receiving offers or choose how we contact you for marketing campaign purposes. To do so, visit a TD branch or call us at 1-866-222-3456.

Application of Privacy Policy to Related Parties

If:

- a) there are changes to the signing authorities of the Borrower; or
- b) at the time of obtaining a product or service from us, the Borrower, if a corporation, has any individual who owns or controls, directly or indirectly, 25 per cent or more of the shares of the corporation, or has any director, where such individual or director is not, at such time, either a signing authority of the corporation or a personal banking customer of the Bank; or
- c) at the time of obtaining a product or service from us, the Borrower, if other than a corporation, has any individual who owns or controls, directly or indirectly, 25 per cent or more of the Borrower, where such individual is not, at such time, either a signing authority of the Borrower or a personal banking customer of the Bank;

then the Borrower agrees to make such signing authorities and any such individual or director aware of the Privacy Policy, advise them that they are subject to such policy and inform them that a copy of such policy is available at any TD Canada Trust branch or online at td.com.

The above sections b) and c) shall not apply where the Borrower is a public body, or a corporation that has minimum net assets of \$75 million on its last audited balance sheet and whose shares are traded on a Canadian stock exchange or a stock exchange that is prescribed by section 3201 of the Income Tax Regulations, as may be amended from time to time, and operates in a country that is a member of the Financial Action Task Force.

30. CONSENT TO THE COLLECTION AND/OR DISCLOSURE OF INFORMATION – BORROWER (OTHER THAN AN INDIVIDUAL)

In addition to any rights the Bank may have regarding the collection and disclosure of the Borrower's information, the Borrower authorizes the Bank to obtain information about the Borrower from, and disclose information about the Borrower to, TD, other lenders, credit reporting or credit rating agencies, credit bureaus, auditors, governmental and regulatory authorities, references provided by the Borrower and any supplier, agent or other party that performs services for the Borrower or for the Bank.

31. DEFINITIONS

Capitalized Terms used in this Agreement shall have the following meanings:

"Agreement" means the agreement between the Bank and the Borrower set out in the Letter and this Schedule "A" - Standard Terms and Conditions, as amended from time to time in accordance with Section 15 of this Schedule "A".

"All-In Rate" means the greater of the interest rates that the Borrower pays for Floating Rate Loans or the highest fixed rate paid for Fixed Rate Term Loans.

"Available Tenor" means, with respect to the applicable then-current Benchmark, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark pursuant to this Agreement.

"Business Day" means any day (other than a Saturday or Sunday) that the Branch/Centre is open for business, provided that when used in connection with Term SOFR loans, the term Business Day shall exclude any day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"Branch/Centre" means The Toronto-Dominion Bank branch or banking centre noted on the first page of the Letter, or such other branch or centre as may from time to time be designated by the Bank.

"Benchmark" means the Term SOFR Reference Rate, Daily Simple SOFR, Term CORRA Reference Rate, or Daily Compounded CORRA as the case may be.

"Benchmark Administrator" means, with respect to a Benchmark, the administrator of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Replacement Date" means, with respect to a Benchmark, a date and time determined by the Bank, which date shall be no later than the earliest to occur of: (a) in the case of clause (x) of the definition of "Benchmark Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the Benchmark Administrator permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or (b) in the case of clause (y) of the definition of "Benchmark Transition Event," the first date on which the regulatory supervisor for the Benchmark Administrator announces that such Benchmark is non-representative, even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

"Benchmark Transition Event" means the occurrence of a public statement or publication of information (x) by (i) or on behalf of the Benchmark Administrator, (ii) the regulatory supervisor for the Benchmark Administrator, (iii) the Bank of Canada, (iv) an insolvency official with jurisdiction over the Benchmark Administrator, (v) a resolution authority with jurisdiction over the Benchmark Administrator, or (vi) a court or an entity with similar insolvency or resolution authority over the Benchmark Administrator, announcing that the Benchmark Administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or (y) by the regulatory supervisor for the Benchmark Administrator announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

"Contractual Term Maturity Date" means the last day of the Contractual Term period. If the Letter does not set out a specific Contractual Term period but rather refers to a period of time up to which the Contractual Term Maturity Date can occur, the Bank and the Borrower must agree on a Contractual Term Maturity Date before first drawdown, which Contractual Term Maturity Date will be set out in the Rate and Payments Terms Notice.

"CORRA" means the Canadian Overnight Repo Rate Average administered and published by the CORRA Administrator.

"CORRA Administrator" the Bank of Canada (or any successor administrator).

"Cross Default Threshold" means the cross default threshold set out in the Letter. If no such cross default threshold is set out in the Letter it will be deemed to be zero.

"Daily Compounded CORRA" means, for any day (a *"CORRA Rate Day"*), CORRA with interest accruing on a compounded daily basis, with the methodology and conventions for this rate (which will include compounding in arrears with a lookback) being established by the Bank in accordance with the methodology and conventions for this rate selected or recommended by the Bank of Canada, or a committee officially endorsed or convened by the Bank of Canada, or any successor thereto, for determining compounded CORRA for business loans; provided that if the Bank decides that any such convention is not administratively feasible for the Bank, then the Bank may establish another convention in its reasonable discretion; and provided that if the administrator has not provided or published CORRA and a Benchmark Replacement Date with respect to CORRA has not occurred, then, in respect of any day for which CORRA is required, references to CORRA will be deemed to be references to the last provided or published CORRA. Notwithstanding the forgoing, if a loan with an interest rate based on Daily Compounded CORRA has been hedged in its entirety with an interest rate swap with the Bank, the lookback period in the methodology for the calculation of Daily Compounded CORRA shall be two (2) business days."

For the avoidance of doubt, from the date hereof until such date that the Bank determines that the methodology and conventions described above have changed, CORRA, as used in the definition of Daily Compounded CORRA, shall mean, for any CORRA Rate Day, a rate per annum equal to the greater of (a) CORRA for the day (such day, a *"CORRA Determination Day"*) that is five (5) Business Days prior to (i) if such CORRA Rate Day is a Business Day, such CORRA Rate Day or (ii) if such CORRA Rate Day is not a Business Day, the Business Day immediately preceding such CORRA Rate Day, in each case, as such CORRA is published by the CORRA Administrator on the CORRA Administrator's Website, and (b) zero percent. If by 5:00 p.m. (Toronto time) on the second (2nd) Business Day immediately following any CORRA Determination Day, CORRA in respect of such CORRA Determination Day has not been published on the CORRA Administrator's Website and a Benchmark Replacement Date with respect to the Daily Compounded CORRA has not occurred, then CORRA for such CORRA Determination Day will be CORRA as published in respect of the first preceding Business Day for which such CORRA was published on the CORRA Administrator's Website; provided that any CORRA determined pursuant to this sentence shall be utilized for purposes of calculation of Daily Compounded CORRA for no more than three (3) consecutive CORRA Rate Days.

"Daily Simple SOFR" means, for any day (a *"SOFR Rate Day"*), SOFR with interest accruing on a simple daily basis, with the methodology and conventions for this rate (which will include a lookback) being established by the Bank in accordance with the methodology and conventions for this rate selected or recommended by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate), or any successor thereto, for determining daily simple SOFR for business loans; provided that if the Bank decides that any such convention is not administratively feasible for the Bank, then the Bank may establish another convention in its reasonable discretion; and provided that if the administrator has not provided or published SOFR and a Benchmark Replacement Date with respect to SOFR has not occurred, then, in respect of any day for which SOFR is required, references to SOFR will be deemed to be references to the last provided or published SOFR. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrower.

For the avoidance of doubt, from the date hereof until such date that the Bank determines that the methodology and conventions described above have changed, Daily Simple SOFR shall mean, for any SOFR Rate Day, a rate per annum equal to the greater of (a) SOFR for the day (such day, a *"SOFR Determination Day"*) that is five (5) Business Days prior to (i) if such SOFR Rate Day is a Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not a Business Day, the Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator's Website, and (b) zero percent. If by 5:00 p.m. (New York City time) on the second (2nd) Business Day immediately following any SOFR Determination Day, SOFR in respect of such SOFR Determination Day has not been published on the SOFR Administrator's Website and a Benchmark Replacement Date with respect to the Daily Simple SOFR has not occurred, then SOFR for such SOFR Determination Day will be SOFR as published in respect of the first preceding Business Day for which such SOFR was published on the SOFR Administrator's Website; provided that any SOFR determined pursuant to this sentence shall be utilized for purposes of calculation of Daily Simple SOFR for no more than three (3) consecutive SOFR Rate Days.

"Face Amount" means, in respect of a L/C or L/G, the maximum amount payable to the beneficiary specified therein or any other Person to whom payments may be required to be made pursuant to such L/C or L/G.

"Fixed Rate Term Loan" means any drawdown in Canadian dollars under a Facility at an interest rate which is fixed for a Rate Term at such rate as is determined by the Bank at its sole discretion.

"Floating Rate Loan" means any loan drawn down, converted or extended under a Facility at an interest rate which is referenced to a variable rate of interest, such as the Prime Rate.

"Inventory Value" means, at any time of determination, the total value (based on the lower of cost or market) of the Borrower's inventories that are subject to the Bank Security (other than (i) those inventories supplied by trade creditors who at that time have not been fully paid and would have a right to repossess all or part of such inventories if the Borrower were then either bankrupt or in receivership, (ii) those inventories comprising work in process and (iii) those inventories that the Bank may from time to time designate in its sole discretion) minus the total amount of any claims, liens or encumbrances on those inventories having or purporting to have priority over the Bank.

"Letter" means the letter from the Bank to the Borrower to which this Schedule "A" - Standard Terms and Conditions is attached.

"Letter of Credit" or *"L/C"* means a documentary letter of credit or similar instrument in form and substance satisfactory to the Bank.

"Letter of Guarantee" or *"L/G"* means a stand-by letter of guarantee or similar instrument in form and substance satisfactory to the Bank.

"Maturity Date" for a Facility, means the date on which all amounts outstanding under such Facility are due and payable to the Bank.

"Person" includes any individual, sole proprietorship, corporation, partnership, joint venture, trust, unincorporated association, association, institution, entity, party, or government (whether national, federal, provincial, state, municipal, city, county, or otherwise and including any instrumentality, division, agency, body, or department thereof).

"Prime Rate" means the rate of interest per annum (based on a 365 day year) established and reported by the Bank to the Bank of Canada from time to time as the reference rate of interest for determination of interest rates

that the Bank charges to customers of varying degrees of creditworthiness in Canada for Canadian dollar loans made by it in Canada.

"Purchase Money Security Interest" means a security interest on an asset which is granted to a lender or to the seller of such asset in order to secure the purchase price of such asset or a loan incurred to acquire such asset, provided that the amount secured by the security interest does not exceed the cost of the asset and provided that the Borrower provides written notice to the Bank prior to the creation of the security interest, and the creditor under the security interest has, if requested by the Bank, entered into an inter-creditor agreement with the Bank, in a format acceptable to the Bank.

"Rate Term" means that period of time as selected by the Borrower from the options offered to it by the Bank, during which a Fixed Rate Term Loan will bear a particular interest rate. If no Rate Term is selected, the Borrower will be deemed to have selected a Rate Term of 1 year.

"Rate and Payment Terms Notice" means the written notice sent by the Bank to the Borrower setting out the interest rate and payment terms for a particular drawdown.

"Receivable Value" means, at any time of determination, the total value of those of the Borrower's trade accounts receivable that are subject to the Bank Security other than (i) those accounts then outstanding for 90 days, (ii) those accounts owing by Persons, firms or corporations affiliated with the Borrower, (iii) those accounts that the Bank may from time to time designate in its sole discretion, (iv) those accounts subject to any claim, liens, or encumbrance having or purporting to have priority over the Bank, (v) those accounts which are subject to a claim of set-off by the obligor under such account, MINUS the total amount of all claims, liens, or encumbrances on those receivables having or purporting to have priority over the Bank.

"Receivables/Inventory Summary" means a summary of the Borrower's trade account receivables and inventories, in form as the Bank may require and certified by a senior officer/representative of the Borrower.

"SOFR" means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org> (or any successor source for the secured overnight financing rate identified as such by the administrator of the secured financing rate from time to time), on the immediately succeeding Business Day.

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"Term CORRA" means, for the applicable corresponding interest period of a Term CORRA Loan, the Term CORRA Reference Rate for an interest period comparable to the applicable selected interest period on the day (such day, the "Periodic Term CORRA Determination Day") that is two (2) Business Days prior to the first day of such selected period, as such rate is published by the Term CORRA Administrator; provided, however, if as of 1:00 P.M. (Toronto time) on any Periodic Term CORRA Determination Day the Term CORRA Reference Rate for the applicable interest period has not been published by the Term CORRA Administrator and a Benchmark Replacement Date with respect to Term CORRA has not occurred, then Term CORRA will be the Term CORRA Reference Rate for such interest period as published by the Term CORRA Administrator on the first preceding Business Day for which such Term CORRA Reference Rate for such interest period was published by the Term CORRA Administrator so long as such first preceding Business Day is not more than three (3) Business Days prior to such Periodic Term CORRA Determination Day.

"Term CORRA Administrator" means Candeal Benchmark Administration Services Inc., TSX Inc. (or a successor administrator of the Term CORRA Reference Rate selected by the Bank in its reasonable discretion).

"Term CORRA Reference Rate" means, for the applicable corresponding interest period, the forward-looking term rate based on CORRA.

"Term SOFR" means, for the applicable corresponding interest period of a Term SOFR Loan, the Term SOFR Reference Rate for an interest period comparable to the applicable selected interest period on the day (such day, the "Periodic Term SOFR Determination Day") that is two (2) Business Days prior to the first day of such selected period, as such rate is published by the Term SOFR Administrator; provided, however, if as of 5:00 P.M. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable interest period has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to Term SOFR has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such interest period as published by the Term SOFR Administrator on the first preceding Business Day for which such Term SOFR Reference Rate for such interest period was published by the Term SOFR Administrator so long as such first preceding Business Day is not more than three (3) Business Days prior to such Periodic Term SOFR Determination Day.

"Term SOFR Administrator" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Bank in its reasonable discretion).

"Term SOFR Reference Rate" means, for the applicable corresponding interest period, the forward-looking term rate based on SOFR.

"USBR" means the rate of interest per annum (based on a 365 day year) established by the Bank from time to time as the reference rate of interest for the determination of interest rates that the Bank charges to customers of varying degrees of creditworthiness for US dollar loans made by it in Canada.

"USD" or *"USD Equivalent"* means, on any date, the equivalent amount in United States Dollars after giving effect to a conversion of a specified amount of Canadian Dollars to United States Dollars at the exchange rate determined by the Bank at the time of the conversion.

This is Exhibit "E" referred to in the Affidavit of Sicheng Lou
sworn before me this 10th day of April, 2026



Commissioner for Taking Affidavits



This **Guarantee** is made as of the 6th day of January, 2023.

Whereas the undersigned (each hereinafter referred to as the "Guarantor") has agreed to provide The Toronto-Dominion Bank (hereinafter referred to as the "Bank") with a guarantee of the Obligations (as hereinafter defined) of
2139654 ONTARIO LIMITED
 (the "Customer");

And whereas the Guarantor has agreed that if the guarantee herein is not enforceable, the Guarantor will indemnify the Bank or be liable as primary obligor.

NOW THEREFORE, in consideration of the Bank dealing with the Customer now or in the future and/or for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor agrees with the Bank as follows:

1. Obligations Guaranteed

The Guarantor unconditionally and irrevocably guarantees payment of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, wheresoever and howsoever incurred of the Customer to the Bank, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatsoever a creditor of the Customer, in any currency, whether incurred by the Customer alone or jointly with another or others and whether as a indemnitor or surety, including interest thereon and all amounts owed by the Customer for fees, costs and expenses (collectively referred to as the "Obligations").

2. Extent of Guarantor's Liability

This is an unlimited Guarantee and the Guarantor's liability to the Bank under this Guarantee shall not be limited as to amount.

3. Indemnity/Primary Obligation

If (i) any Obligations are not duly paid by the Customer and are not recoverable under Section 1 for any reason, the Guarantor will, as a separate and distinct obligation, indemnify and save harmless the Bank from and against all losses resulting from the failure of the Customer to pay such Obligations, and (ii) any Obligations are not duly paid by the Customer and are not recoverable under Section 1 or the Bank is not indemnified under clause (i) above of this Section 3, for any reason, such Obligations will, as a separate and distinct obligation, be paid by and recoverable from the Guarantor as primary obligor.

The liabilities of the Guarantor under Section 1 and each of clauses (i) and (ii) of this Section 3 are separate and distinct from each other, but the provisions of this Agreement shall apply to each of such liabilities unless the context otherwise requires.

4. Nature of Guarantor's Liability

The liability of the Guarantor under this Guarantee is continuing, absolute and unconditional and will not be affected by any act, omission, event or circumstance that might constitute a legal or equitable defence (any and all such legal and equitable defences are hereby expressly waived by the Guarantor) to or a discharge, limitation or reduction of the liability of the Guarantor hereunder, other than as a result of the indefeasible payment in full of the Obligations, including:

- (a) the unenforceability of any of the Obligations for any reason, including as a result of the act of any governmental authority;

- (b) any irregularity, fraud, illegality, defect or lack of authority or formality in incurring the Obligations, notwithstanding any inquiry that may or may not have been made by the Bank;
- (c) failure of the Bank to comply with or perform any agreements relating to the Obligations;
- (d) any discontinuance, renewal, extension, increase or reduction in the amount, or any other variance of any loans or credits now or hereafter made available to the Customer by the Bank or guaranteed by the Customer to the Bank or any other change to any of the terms or conditions of any of the Obligations (including, without limitation, respecting rates of interest, fees or charges, maturity dates), or any waiver by the Bank respecting any of the Obligations;
- (e) the taking of or the failure by the Bank to take a guarantee from any other person;
- (f) any release, compromise, settlement or any other dealing with any person, including any other Guarantor;
- (g) the reorganization of the Customer or its business (whether by amalgamation, merger, transfer, sale or otherwise); and in the case of an amalgamation or merger, the liability of the Guarantor shall apply to the Obligations of the resulting or continuing entity and the term "Customer" shall include such resulting or continuing entity;
- (h) the current financial condition of the Customer and any change in the Customer's financial condition;
- (i) any change in control or ownership of the Customer, or if the Customer is a general or limited partnership, any change in the membership of that partnership or other entity;
- (j) any change in the name, articles or other constating documents of the Customer, or its objects, business or capital structure;
- (k) the bankruptcy, winding-up, dissolution, liquidation or insolvency of the Customer or any proceedings being taken by or against the Customer with respect thereto, and any stay of or moratorium on proceedings by the Bank against the Customer as a result thereof;
- (l) a breach of any duty of the Bank (whether fiduciary or in negligence or otherwise) and whether owed to the Guarantor, the Customer or any other person;
- (m) any lack or limitation of power, capacity or legal status of the Customer, or, if the Customer is an individual, the death of the Customer;
- (n) the Customer's account being closed or the Bank ceasing to deal with the Customer;
- (o) any taking or failure to take any security by the Bank, any loss of or diminution in value of any security, the invalidity, unenforceability, subordination, postponement, release, discharge or substitution, in whole or in part, of any security, or the failure to perfect or maintain perfection or enforce any security; or
- (p) any failure or delay by the Bank in exercising any right or remedy respecting the Obligations or under any security or guarantee.

5. Continuing Guarantee

The obligations of the Guarantor hereunder will constitute and be continuing obligations and will apply to and secure any ultimate balance due or remaining due to the Bank and will not be considered as wholly or partially satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to the Bank. This Guarantee will continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by the Bank as a result of the occurrence of any action or event, including the insolvency, bankruptcy or reorganization of the Customer or the Guarantor, all as though such payment had not been made.

6. Demand for Payment

The Guarantor shall make payment to the Bank under this Guarantee immediately upon receipt of a written demand for payment from the Bank. If any Obligation is not paid by the Customer when due, the Bank may treat all Obligations as due and payable by the Customer and may demand immediate payment under this Guarantee of all or some of the Obligations whether such other Obligations would otherwise be due and payable by the Customer at such time or whether or not any demands, steps or proceedings have been made or taken by the Bank against the Customer or any other person respecting all or any of the Obligations. If any stay of or moratorium on proceedings by the Bank against the Customer is imposed in respect of any Obligation, the Bank may nevertheless demand immediate payment of such Obligation from the Guarantor as if such Obligation was due and payable by the Customer.

7. Interest

If the Guarantor does not make immediate payment in full of the Obligations when demand for payment has been made by the Bank, the Guarantor shall pay interest on any unpaid amount to the Bank at the highest rate of interest per annum that is charged on any Obligations for which payment has been demanded hereunder and which remain unpaid.

8. State of Account

The records of the Bank in respect of the Obligations will be prima facie evidence of the balance of the amount of the Obligations that are due and payable by the Customer to the Bank.

9. Application of Moneys Received

The Bank may, without notice and demand of any kind and at any time, apply any money received from the Guarantor, the Customer or any other person (including arising from any security that the Bank may from time to time hold) or any balance in any account of the Guarantor held at the Bank or any of the Bank's affiliates, to such part of the Obligations, whether due or to become due, as the Bank in its sole and absolute discretion considers appropriate, or may, in its sole and absolute discretion, refrain from applying any such money. The Bank may also revoke and alter any such application in whole or in part. If any amount that is to be applied is in a currency other than the currency of the Obligation to which such amount is to be applied, then the amount that is applied shall be converted from one currency to another using the rate of exchange for the conversion of such currency as determined by the Bank or its agents and the Bank or its agent may earn revenue on such conversion.

10. No Set-off or Counterclaim

The Guarantor will make all payments required to be made under this Guarantee without claiming or asserting any right of setoff or counterclaim that the Guarantor has or may have against the Customer or the Bank, all of which rights the Guarantor waives.

11. Exhausting Recourse

The Bank is not required to take any proceedings, exhaust its recourse against the Customer or any other Guarantor or person or under any security the Bank may from time to time hold, or take any other action, before being entitled to demand payment from the Guarantor under this Guarantee, and the Guarantor waives all benefits of discussion and division.

12. No Representations

There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties except as expressly set forth herein. The Bank will not be bound by any representations or promises made by Customer to the Guarantor and possession of this Guarantee by the Bank will be conclusive evidence against the Guarantor that this Guarantee was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with, and this Guarantee will be binding on each Guarantor who has signed this Guarantee notwithstanding the non-execution thereof by any proposed guarantor.

13. Postponement and Assignment

The Guarantor hereby postpones payment of all present and future debts and liabilities of the Customer to the Guarantor, and as security for payment of the Obligations, the Guarantor hereby assigns such debts and liabilities to the Bank and agrees that all moneys received from the Customer by or on behalf of the Guarantor shall be held in trust for the Bank and forthwith upon receipt paid over to the Bank, all without prejudice to and without in any way limiting or lessening the liability of the Guarantor to the Bank under this Guarantee. This assignment and postponement is independent of the guarantee, indemnity and primary obligor obligations contained in this Guarantee and will remain in full force and effect until, in the case of the assignment, the liability of the Guarantor under this Guarantee has been discharged or terminated and, in the case of the postponement, until all Obligations are performed and indefeasibly paid in full.

14. Subrogation

The Guarantor will not be entitled to be subrogated to the rights of the Bank against the Customer, to be indemnified by the Customer or to claim contribution from any other Guarantor until the Guarantor makes indefeasible payment to the Bank of all amounts owing by the Guarantor to the Bank under this Guarantee and the Obligations are indefeasibly paid in full.

15. Bankruptcy of Customer

Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or Guarantor for the Obligations, the Bank's rights shall not be affected by the Bank's failure to prove its claim and the Bank may prove such claim if and in any manner as it deems appropriate in its sole discretion. The Bank may value as it sees fit or refrain from valuing any security held by the Bank without in any way releasing, reducing or otherwise affecting the liability of the Guarantor to the Bank, and until all the Obligations of the Customer to the Bank have been indefeasibly paid in full, the Bank shall have the right to include in its claim the amount of all sums paid by the Guarantor to the Bank under this Guarantee and to prove and rank for and receive dividends in respect of such claim, any and all right to prove and rank for such sums paid by the Guarantor and to receive the full amount of all dividends in respect thereto being hereby assigned and transferred to the Bank.

16. Costs and Expenses

The Guarantor agrees to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of the Bank's in-house lawyers. The Guarantor will pay all legal fees on a solicitor and own client basis.

17. Other Guarantees and Security

The liability of the Guarantor under any other guarantee or guarantees given to the Bank in connection with the Obligations shall not be affected by this Guarantee, nor shall this Guarantee affect or be affected by the endorsement by the Guarantor of any note or notes of the Customer, the intention being that the liability of the Guarantor under such other guarantee or guarantees and this Guarantee, and under such other note or notes and this Guarantee, shall be cumulative. Nor shall the Bank be required to marshal in favour of the Guarantor other guarantees granted by other persons or any security, money or other property that the Bank may be entitled to receive or may have a claim upon.

18. Amendment and Waivers

No amendment to this Guarantee will be valid or binding unless set forth in writing and duly executed by the Guarantor and the Bank. No waiver by the Bank of any breach of any provision of this Guarantee will be effective or binding unless made in writing and signed by the Bank and, unless otherwise provided in the written waiver, will be limited to the specific breach waived. No delay in the exercise of any right or remedy by the Bank shall operate as a waiver thereof. No failure to exercise a right or remedy or partial exercise of a right or remedy by the Bank shall preclude other or further exercise thereof or the exercise of any other right or remedy by the Bank.

19. Discharge

The Guarantor will not be released or discharged from its obligations hereunder except by a written release or discharge signed by the Bank.

20. General

This Guarantee shall be binding on the successors of the Guarantor or, if the Guarantor is an individual, the heirs, executors, administrators and other legal representatives of the Guarantor, and shall enure to the benefit of the successors and assigns of the Bank.

If more than one Guarantor has signed this Guarantee, each Guarantor shall be jointly and severally liable under this Guarantee.

To the extent that any limitation period applies to any claim for payment hereunder of the Obligations or remedy for the enforcement of such payment, the Guarantor agrees that any such limitation period is excluded or waived, but if such exclusion and waiver is not permitted by applicable law, then any limitation period is extended to the maximum length permitted by applicable law.

Any notice or demand which the Bank may wish to give under this Guarantee may be personally served on the Guarantor or sent by ordinary mail or electronic mail to the last known address of the Guarantor. Any notice that is sent by ordinary mail shall be conclusively deemed to have been received on the fifth day following the day on which it is mailed. Any notice that is sent by electronic mail shall be conclusively deemed to have been received on the day it is sent.

If any provision of this Guarantee is determined by any court of competent jurisdiction to be invalid or unenforceable in any respect, such invalidity or unenforceability will not affect the validity or enforceability of the remaining provisions of this Guarantee.

This Guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

Any word herein contained importing the singular number shall include the plural and any word importing a person shall include a corporation, partnership, firm and any other entity.

Subject to Section 17, this Guarantee constitutes the entire agreement between the Guarantor and the Bank with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties with respect thereto.

Each of the undersigned acknowledges receipt of a copy of this Guarantee.

NOVO PLASTICS INC.

Per: _____
(authorized signature)

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature) Baljit Sierra, President

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____



**TD Bank Group
Guarantee**

This Guarantee is made as of the 20th day of June, 2025.

Whereas the undersigned (each hereinafter referred to as the "Guarantor") has agreed to provide The Toronto-Dominion Bank (hereinafter referred to as the "Bank") with a guarantee of the Obligations (as hereinafter defined) of
NOVO PLASTICS INC.
(the "Customer");

And whereas the Guarantor has agreed that if the guarantee herein is not enforceable, the Guarantor will indemnify the Bank or be liable as primary obligor.

NOW THEREFORE, in consideration of the Bank dealing with the Customer now or in the future and/or for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor agrees with the Bank as follows:

1. Obligations Guaranteed

The Guarantor unconditionally and irrevocably guarantees payment of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, wheresoever and howsoever incurred of the Customer to the Bank, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatsoever a creditor of the Customer, in any currency, whether incurred by the Customer alone or jointly with another or others and whether as a indemnitor or surety, including interest thereon and all amounts owed by the Customer for fees, costs and expenses (collectively referred to as the "Obligations").

2. Extent of Guarantor's Liability

This is an unlimited Guarantee and the Guarantor's liability to the Bank under this Guarantee shall not be limited as to amount.

3. Indemnity/Primary Obligation

If (i) any Obligations are not duly paid by the Customer and are not recoverable under Section 1 for any reason, the Guarantor will, as a separate and distinct obligation, indemnify and save harmless the Bank from and against all losses resulting from the failure of the Customer to pay such Obligations, and (ii) any Obligations are not duly paid by the Customer and are not recoverable under Section 1 or the Bank is not indemnified under clause (i) above of this Section 3, for any reason, such Obligations will, as a separate and distinct obligation, be paid by and recoverable from the Guarantor as primary obligor.

The liabilities of the Guarantor under Section 1 and each of clauses (i) and (ii) of this Section 3 are separate and distinct from each other, but the provisions of this Agreement shall apply to each of such liabilities unless the context otherwise requires.

4. Nature of Guarantor's Liability

The liability of the Guarantor under this Guarantee is continuing, absolute and unconditional and will not be affected by any act, omission, event or circumstance that might constitute a legal or equitable defence (any and all such legal and equitable defences are hereby expressly waived by the Guarantor) to or a discharge, limitation or reduction of the liability of the Guarantor hereunder, other than as a result of the indefeasible payment in full of the Obligations, including:

- (a) the unenforceability of any of the Obligations for any reason, including as a result of the act of any governmental authority;

- (b) any irregularity, fraud, illegality, defect or lack of authority or formality in incurring the Obligations, notwithstanding any inquiry that may or may not have been made by the Bank;
- (c) failure of the Bank to comply with or perform any agreements relating to the Obligations;
- (d) any discontinuance, renewal, extension, increase or reduction in the amount, or any other variance of any loans or credits now or hereafter made available to the Customer by the Bank or guaranteed by the Customer to the Bank or any other change to any of the terms or conditions of any of the Obligations (including, without limitation, respecting rates of interest, fees or charges, maturity dates), or any waiver by the Bank respecting any of the Obligations;
- (e) the taking of or the failure by the Bank to take a guarantee from any other person;
- (f) any release, compromise, settlement or any other dealing with any person, including any other Guarantor;
- (g) the reorganization of the Customer or its business (whether by amalgamation, merger, transfer, sale or otherwise); and in the case of an amalgamation or merger, the liability of the Guarantor shall apply to the Obligations of the resulting or continuing entity and the term "Customer" shall include such resulting or continuing entity;
- (h) the current financial condition of the Customer and any change in the Customer's financial condition;
- (i) any change in control or ownership of the Customer, or if the Customer is a general or limited partnership, any change in the membership of that partnership or other entity;
- (j) any change in the name, articles or other constituting documents of the Customer, or its objects, business or capital structure;
- (k) the bankruptcy, winding-up, dissolution, liquidation or insolvency of the Customer or any proceedings being taken by or against the Customer with respect thereto, and any stay of or moratorium on proceedings by the Bank against the Customer as a result thereof;
- (l) a breach of any duty of the Bank (whether fiduciary or in negligence or otherwise) and whether owed to the Guarantor, the Customer or any other person;
- (m) any lack or limitation of power, capacity or legal status of the Customer, or, if the Customer is an individual, the death of the Customer;
- (n) the Customer's account being closed or the Bank ceasing to deal with the Customer;
- (o) any taking or failure to take any security by the Bank, any loss of or diminution in value of any security, the invalidity, unenforceability, subordination, postponement, release, discharge or substitution, in whole or in part, of any security, or the failure to perfect or maintain perfection or enforce any security; or
- (p) any failure or delay by the Bank in exercising any right or remedy respecting the Obligations or under any security or guarantee.

5. Continuing Guarantee

The obligations of the Guarantor hereunder will constitute and be continuing obligations and will apply to and secure any ultimate balance due or remaining due to the Bank and will not be considered as wholly or partially satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to the Bank. This Guarantee will continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by the Bank as a result of the occurrence of any action or event, including the insolvency, bankruptcy or reorganization of the Customer or the Guarantor, all as though such payment had not been made.

6. Demand for Payment

The Guarantor shall make payment to the Bank under this Guarantee immediately upon receipt of a written demand for payment from the Bank. If any Obligation is not paid by the Customer when due, the Bank may treat all Obligations as due and payable by the Customer and may demand immediate payment under this Guarantee of all or some of the Obligations whether such other Obligations would otherwise be due and payable by the Customer at such time or whether or not any demands, steps or proceedings have been made or taken by the Bank against the Customer or any other person respecting all or any of the Obligations. If any stay of or moratorium on proceedings by the Bank against the Customer is imposed in respect of any Obligation, the Bank may nevertheless demand immediate payment of such Obligation from the Guarantor as if such Obligation was due and payable by the Customer.

7. Interest

If the Guarantor does not make immediate payment in full of the Obligations when demand for payment has been made by the Bank, the Guarantor shall pay interest on any unpaid amount to the Bank at the highest rate of interest per annum that is charged on any Obligations for which payment has been demanded hereunder and which remain unpaid.

8. State of Account

The records of the Bank in respect of the Obligations will be prima facie evidence of the balance of the amount of the Obligations that are due and payable by the Customer to the Bank.

9. Application of Moneys Received

The Bank may, without notice and demand of any kind and at any time, apply any money received from the Guarantor, the Customer or any other person (including arising from any security that the Bank may from time to time hold) or any balance in any account of the Guarantor held at the Bank or any of the Bank's affiliates, to such part of the Obligations, whether due or to become due, as the Bank in its sole and absolute discretion considers appropriate, or may, in its sole and absolute discretion, refrain from applying any such money. The Bank may also revoke and alter any such application in whole or in part. If any amount that is to be applied is in a currency other than the currency of the Obligation to which such amount is to be applied, then the amount that is applied shall be converted from one currency to another using the rate of exchange for the conversion of such currency as determined by the Bank or its agents and the Bank or its agent may earn revenue on such conversion.

10. No Set-off or Counterclaim

The Guarantor will make all payments required to be made under this Guarantee without claiming or asserting any right of setoff or counterclaim that the Guarantor has or may have against the Customer or the Bank, all of which rights the Guarantor waives.

11. Exhausting Recourse

The Bank is not required to take any proceedings, exhaust its recourse against the Customer or any other Guarantor or person or under any security the Bank may from time to time hold, or take any other action, before being entitled to demand payment from the Guarantor under this Guarantee, and the Guarantor waives all benefits of discussion and division.

12. No Representations

There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties except as expressly set forth herein. The Bank will not be bound by any representations or promises made by Customer to the Guarantor and possession of this Guarantee by the Bank will be conclusive evidence against the Guarantor that this Guarantee was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with, and this Guarantee will be binding on each Guarantor who has signed this Guarantee notwithstanding the non-execution thereof by any proposed guarantor.

13. Postponement and Assignment

The Guarantor hereby postpones payment of all present and future debts and liabilities of the Customer to the Guarantor, and as security for payment of the Obligations, the Guarantor hereby assigns such debts and liabilities to the Bank and agrees that all moneys received from the Customer by or on behalf of the Guarantor shall be held in trust for the Bank and forthwith upon receipt paid over to the Bank, all without prejudice to and without in any way limiting or lessening the liability of the Guarantor to the Bank under this Guarantee. This assignment and postponement is independent of the guarantee, indemnity and primary obligor obligations contained in this Guarantee and will remain in full force and effect until, in the case of the assignment, the liability of the Guarantor under this Guarantee has been discharged or terminated and, in the case of the postponement, until all Obligations are performed and indefeasibly paid in full.

14. Subrogation

The Guarantor will not be entitled to be subrogated to the rights of the Bank against the Customer, to be indemnified by the Customer or to claim contribution from any other Guarantor until the Guarantor makes indefeasible payment to the Bank of all amounts owing by the Guarantor to the Bank under this Guarantee and the Obligations are indefeasibly paid in full.

15. Bankruptcy of Customer

Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or Guarantor for the Obligations, the Bank's rights shall not be affected by the Bank's failure to prove its claim and the Bank may prove such claim if and in any manner as it deems appropriate in its sole discretion. The Bank may value as it sees fit or refrain from valuing any security held by the Bank without in any way releasing, reducing or otherwise affecting the liability of the Guarantor to the Bank, and until all the Obligations of the Customer to the Bank have been indefeasibly paid in full, the Bank shall have the right to include in its claim the amount of all sums paid by the Guarantor to the Bank under this Guarantee and to prove and rank for and receive dividends in respect of such claim, any and all right to prove and rank for such sums paid by the Guarantor and to receive the full amount of all dividends in respect thereto being hereby assigned and transferred to the Bank.

16. Costs and Expenses

The Guarantor agrees to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of the Bank's in-house lawyers. The Guarantor will pay all legal fees on a solicitor and own client basis.

17. Other Guarantees and Security

The liability of the Guarantor under any other guarantee or guarantees given to the Bank in connection with the Obligations shall not be affected by this Guarantee, nor shall this Guarantee affect or be affected by the endorsement by the Guarantor of any note or notes of the Customer, the intention being that the liability of the Guarantor under such other guarantee or guarantees and this Guarantee, and under such other note or notes and this Guarantee, shall be cumulative. Nor shall the Bank be required to marshal in favour of the Guarantor other guarantees granted by other persons or any security, money or other property that the Bank may be entitled to receive or may have a claim upon.

18. Amendment and Waivers

No amendment to this Guarantee will be valid or binding unless set forth in writing and duly executed by the Guarantor and the Bank. No waiver by the Bank of any breach of any provision of this Guarantee will be effective or binding unless made in writing and signed by the Bank and, unless otherwise provided in the written waiver, will be limited to the specific breach waived. No delay in the exercise of any right or remedy by the Bank shall operate as a waiver thereof. No failure to exercise a right or remedy or partial exercise of a right or remedy by the Bank shall preclude other or further exercise thereof or the exercise of any other right or remedy by the Bank.

19. Discharge

The Guarantor will not be released or discharged from its obligations hereunder except by a written release or discharge signed by the Bank.

20. General

This Guarantee shall be binding on the successors of the Guarantor or, if the Guarantor is an individual, the heirs, executors, administrators and other legal representatives of the Guarantor, and shall enure to the benefit of the successors and assigns of the Bank.

If more than one Guarantor has signed this Guarantee, each Guarantor shall be jointly and severally liable under this Guarantee.

To the extent that any limitation period applies to any claim for payment hereunder of the Obligations or remedy for the enforcement of such payment, the Guarantor agrees that any such limitation period is excluded or waived, but if such exclusion and waiver is not permitted by applicable law, then any limitation period is extended to the maximum length permitted by applicable law.

Any notice or demand which the Bank may wish to give under this Guarantee may be personally served on the Guarantor or sent by ordinary mail or electronic mail to the last known address of the Guarantor. Any notice that is sent by ordinary mail shall be conclusively deemed to have been received on the fifth day following the day on which it is mailed. Any notice that is sent by electronic mail shall be conclusively deemed to have been received on the day it is sent.

If any provision of this Guarantee is determined by any court of competent jurisdiction to be invalid or unenforceable in any respect, such invalidity or unenforceability will not affect the validity or enforceability of the remaining provisions of this Guarantee.

This Guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

Any word herein contained importing the singular number shall include the plural and any word importing a person shall include a corporation, partnership, firm and any other entity.

Subject to Section 17, this Guarantee constitutes the entire agreement between the Guarantor and the Bank with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties with respect thereto.

Each of the undersigned acknowledges receipt of a copy of this Guarantee.

2139654 ONTARIO LIMITED

Per: 
(authorized signature)

BALRAJ SINKER Pres.

Per: _____
(authorized signature)

Per: _____
(authorized signature)

Per: _____
(authorized signature)

Per: _____
(authorized signature)

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(authorized signature)

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(authorized signature)

Per: _____
(authorized signature)

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

This is Exhibit "F" referred to in the Affidavit of Sicheng Lou
sworn before me this 10th day of April, 2026



Commissioner for Taking Affidavits



General Security Agreement

TO: The Toronto-Dominion Bank (the "Bank")

Branch of the Bank: 2 ST. CLAIR AVENUE EAST TORONTO ON M4T 2V4

Granted By: NOVO PLASTICS INC.

(the "Grantor")

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantor agrees with the Bank as follows:

I. Security Interest

The Grantor hereby grants to the Bank a security interest in, and assigns (other than with respect to trade-marks), mortgages, charges and pledges (collectively, the "Security Interest") to the Bank, all property of the Grantor, including all present and after acquired personal property and all other property, assets and undertaking of the kind hereinafter described below, in which the Grantor now has, or hereafter acquires, any right, title or interest, and accretions and accessions thereto (collectively called the "Collateral"):

- (a) **Intangibles.** All intangible property not otherwise described in this Section I, including all contractual rights and insurance claims, options, permits, licences, quotas, subsidies, franchises, orders, judgments, patents, trademarks, trade names, trade secrets and know-how, inventions, goodwill, copyrights and other intellectual property of the Grantor, including any right or licence to use intellectual property belonging to a third party together with any specified collateral described in Schedule "A" hereto (collectively called "Intangibles");
- (b) **Chattel Paper and Documents of Title.** All chattel paper and all warehouse receipts, bills of lading and other documents of title, whether negotiable or not;
- (c) **Deposits and Credit Balances.** All monies and credit balances, including interest due thereon, which are now or may hereafter from time to time be on deposit with or standing to the credit of the Grantor with the Bank or any other bank, financial institution or other Person;
- (d) **Books and Records.** All deeds, documents, writings, papers, books of account and other books and records in any form, electronic or otherwise, relating to or evidencing any of the Collateral;
- (e) **Accounts and Book Debts.** All debts, accounts, claims and choses in action for moneys now due or owing or accruing due or which may hereafter become due or owing to the Grantor, including claims against the Crown in right of Canada or of any province, moneys which may become payable under any policy of insurance (collectively called "Accounts and Book Debts"), together with all contracts, securities, bills, notes, lien notes, judgments, mortgages, letters of credit and advices of credit, and all other rights, benefits and documents which are now or which may be taken, vested in or held by the Grantor in respect of or as security for the Accounts and Book Debts or any part thereof, and the full benefit and advantage thereof and all rights of actions, claims or demands which the Grantor now has or may hereafter have in respect of the foregoing;
- (f) **Equipment.** All tools, machinery, apparatus, equipment, vehicles, furniture, plants, fixtures, and other tangible personal property, other than inventory, wherever situate, including the assets, if any, described in Schedule "A" hereto (collectively called "Equipment");
- (g) **Inventory.** All goods forming the inventory of the Grantor, of whatever kind and wherever located, whether raw material, work in process or finished goods held for sale, lease or resale, or furnished or to be furnished under contracts for service or used or consumed in the business of the Grantor, goods used in or procured for packing or packaging, timber cut or to be cut, oil, gas and minerals extracted or to be extracted, all livestock and the young thereof after conception and all crops which become such within one year after the date of execution of this Agreement (collectively called "Inventory");
- (h) **Instruments.** All bills, notes, cheques, letters of credit and other instruments, whether negotiable or not (collectively called "Instruments");
- (i) **Securities.** All shares, stocks, warrants, options, bonds, debentures, debenture stock and all other securities and investment property of any kind and all instruments, whether negotiable or non-negotiable, and interest thereon and dividends, whether in shares, money or property, received or receivable upon or in respect of any securities and other investment property and all money or other property paid or payable on account of any return on, or repayment of, capital in respect of any securities or otherwise distributed or distributable in respect thereof or that will in any way be charged to, or be payable out of or in respect of, the capital of the issuer of the securities (collectively called "Securities");
- (j) **Real Property.** All real and immovable property, both freehold and leasehold, together with all buildings and fixtures (collectively called "Real Property"), and all rights under any lease or agreement relating to Real Property;

- (k) **Proceeds.** All proceeds of the property described above, including any property in any form derived directly or indirectly from any use or dealing with the property described above or the proceeds therefrom or that indemnifies or compensates for damage or loss to such property or the proceeds therefrom, including the money held in banks, financial institutions or any other Person (collectively called "Proceeds");

provided that (i) the Security Interest does not and will not extend to, and the Collateral will not include, any agreement, lease, right, franchise, licence or permit (the "contractual rights") to which the Grantor is a party or of which the Grantor has the benefit, to the extent that the Security Interest would permit any person to terminate the contractual rights unless the consent of one or more Persons has been obtained and until such consent has been obtained, which the Grantor agrees it will use commercially reasonable efforts to obtain if requested by the Bank, the Grantor agrees to hold its interest therein in trust for the Bank, and notwithstanding the foregoing, contractual rights shall not include any account or chattel paper; and (ii) with respect to Real Property, (A) the Security Interest granted hereby is constituted by way of a floating charge, but will become a fixed charge upon the earlier of the Obligations becoming immediately payable, and the occurrence of any other event that by operation of law would result in such floating charge becoming a fixed charge; and (B) the assignment, mortgage and charge granted hereby will not extend to the last day of the term of any lease or agreement relating to Real Property, but the Grantor will hold such last day in trust for the Bank and, upon the enforcement by the Bank of its Security Interest, will assign such last day as directed by the Bank.

2. Obligations Secured

The Security Interest secures the payment and performance of all present and future obligations of the Grantor to the Bank, including all debts and liabilities, direct or indirect, absolute or contingent, matured or not, wheresoever and howsoever incurred, whether incurred before, at the time of, or after the execution of this Agreement, whether the indebtedness and liability is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether arising from dealings between the Bank and the Grantor or from other dealings or proceedings by which the Bank may be or become in any manner whatsoever a creditor of the Grantor, and in any currency, whether incurred by the Grantor alone or with another or others and whether as a principal or surety, including all interest thereon and all amounts owed by the Grantor under this Agreement for fees, costs and expenses and in respect of indemnities granted under this Agreement (collectively called the "Obligations").

3. Definitions

- (a) Any word or term that is not otherwise defined in this Agreement shall have the meaning given to it in the *Personal Property Security Act* of the province in which the Branch of the Bank is located, as amended from time to time, and being referred to in this Agreement as the "PPSA". Any reference herein to "Collateral" shall, unless the context requires otherwise, be deemed to be a reference to "Collateral or any part thereof".
- (b) The following terms shall have the respective meanings set out below:

"Branch of the Bank" means the branch of the Bank located at the address specified above.

"Business Day" means any day other than a Saturday, Sunday or statutory holiday in the province in which the Branch of the Bank is located.

"Control Agreement" means:

- (a) with respect to any uncertificated security, an agreement between the issuer of such uncertificated security and any Person whereby such issuer agrees to comply with instructions that are originated by such Person in respect of such uncertificated security, without the further consent of the Grantor; and
- (b) with respect to any securities account or security entitlement, an agreement between the securities intermediary which maintains the particular securities account to which security entitlements included in the Collateral relate and any Person whereby such securities intermediary agrees to comply with any entitlement orders with respect to such securities accounts or security entitlements that are originated by such Person, without the further consent of the Grantor.

"Person" means any individual, sole proprietorship, joint venture, partnership, corporation, company, firm, association, co-operative, estate, government, government agency, regulatory authority, trust, or any entity of any nature.

4. Representations & Warranties

The Grantor hereby represents and warrants with the Bank and so long as this Agreement remains in effect shall be deemed to continuously represent and warrant that:

- (a) **Location of Head Office.** The address of the Grantor's chief executive office and the office where it keeps its records respecting the Accounts and Book Debts (the "Head Office") is set out below the name of the Grantor on the signature page of this Agreement;

- (b) **Location of Collateral.** The Collateral which is goods is or will be located at the address set out on the signature page of this Agreement or at the locations specified in Schedule "A" hereto or such other locations as have been agreed to by the Bank in writing, except for (i) goods in transit to such locations and (ii) Inventory on lease or consignment, but including all fixtures, crops, oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral;
- (c) **Collateral Free and Clear.** The Collateral (other than Real Property) is the sole property of the Grantor free and clear of all security interests, liens, charges, mortgages, hypothecs, leases, licenses, infringements by third parties, encumbrances, statutory liens or trusts, other adverse claims or interests, or any rights of others, except for those security interests which are expressly approved by the Bank in writing prior to their creation or assumption;
- (d) **Amount of Accounts.** Each Account and Book Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor") and the amount represented by the Grantor to the Bank from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount unconditionally owing by such Account Debtor or Account Debtors, and no Account Debtor will have any defence, set-off, claim or counterclaim against the Grantor which can be asserted against the Bank, whether in any proceeding to enforce Collateral or otherwise;
- (e) **Status and Binding Obligation.** The Grantor (i) if a corporation or company, has been duly incorporated, amalgamated or continued, as the case may be, and is validly existing as a corporation or company, as the case may be, under the laws of its jurisdiction of incorporation, amalgamation or continuance, as the case may be, (ii) if not a corporation or company, has been duly created or established as a partnership, limited partnership or other entity and validly exists under the laws of the jurisdiction in which it has been created or established, and (iii) is duly qualified to carry on business and own property in each jurisdiction where it carries on business or where any of its property is located. The Grantor has adequate power, capacity and authority to carry on its business, own property, borrow monies and enter into agreements therefor, execute and deliver this Agreement, and perform its obligations under this Agreement, which Agreement constitutes a legally valid and binding obligation of the Grantor enforceable in accordance with its terms. The making of this Agreement will not result in the breach of, constitute a default under, contravene any provision of, or result in the creation of, any lien, charge, security interest, encumbrance or any other rights of others upon any property of the Grantor pursuant to any agreement, indenture or other instrument to which the Grantor is a party or by which the Grantor or any of its property may be bound or affected; and
- (f) **Intellectual Property.** All intellectual property applications and registrations are valid, subsisting, unexpired, enforceable, in good standing and have not been abandoned and the Grantor is the owner of the applications and registrations.

5. Covenants

The Grantor covenants and agrees with the Bank that:

- (a) **Place of Business and Location of Collateral.** The Grantor shall not change its name or the location of its Head Office, amalgamate with any other Person, or move any of the Collateral from the address set out on the signature page of this Agreement or the locations specified in Schedule "A" hereto other than in accordance with clause 5(g), without the prior written consent of the Bank;
- (b) **Notification.** The Grantor shall notify the Bank promptly of: (i) any change in the information contained herein or in Schedule "A" hereto relating to the Grantor, the Grantor's business or Collateral; (ii) the details of any significant acquisition of Collateral; (iii) the details of any claims or litigation affecting the Grantor or the Collateral and will furnish the Bank with copies of the details of such claims or litigation; (iv) any loss or damage to Collateral or any material adverse change in the value of Collateral; and (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral;
- (c) **Performance of Obligations.** The Grantor shall observe and perform all its obligations under all material leases, licenses, undertakings and agreements to which it is a party, obtain and preserve its rights, powers, licences, privileges, franchises and goodwill thereunder, and comply with all applicable laws, by-laws, rules, regulations and ordinances in a proper and efficient manner so as to preserve and protect the Collateral and the business and undertaking of the Grantor in all material respects. The Grantor shall also pay all rents, taxes, rates, levies, assessments and government fees or dues levied, assessed or imposed in respect of the Collateral and other charges or any part thereof as and when the same become due and payable, and shall provide to the Bank, when requested, the receipts and vouchers evidencing payment;
- (d) **Limitations on Discounts, Extensions of Accounts and Compromises.** The Grantor shall not grant any extension of time for payment of any Accounts or Book Debts, or compromise, compound or settle any Accounts or Book Debts for less than the full amount, or release, wholly or partially, any Person liable for the payment of any Accounts or Book Debts, or allow any credit or discount of any Account or Book Debt, other than in the ordinary course of business of the Grantor and consistent with industry practices;

- (e) **Payment of Fees and Expenses.** The Grantor will pay the Bank on demand all costs, fees and expenses (including legal fees on a solicitor and his own client basis) incurred by the Bank in the preparation, execution, registration and perfection of this Agreement and the carrying out of any of the provisions of this Agreement, including, protecting and preserving the Security Interest and enforcing by legal process or otherwise the remedies provided herein. All such costs and expenses payable by the Grantor to the Bank shall bear interest from time to time at the highest interest rate then applicable to any of the Obligations, calculated and compounded monthly, and shall be added to and form part of the Obligations secured hereunder;
- (f) **Maintenance and Protection of Collateral/No Fixtures.** The Grantor shall care for, protect and preserve the Collateral and not permit its value to be impaired and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Bank. The Grantor shall keep the Collateral in good order, condition and repair and shall not use the Collateral in violation of the provisions of this Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance. The Grantor will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Grantor in its business in good standing, unless otherwise agreed to in writing by the Bank. The Grantor shall apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so. The Grantor shall defend title to the Collateral against all claims and demands of all other Persons claiming the same or an interest therein and shall diligently initiate and prosecute legal action against every Person who infringes upon the Grantor's rights in intellectual property;
- (g) **Dealing with Collateral.** (i) The Grantor will not sell, lease, transfer, assign, deliver or otherwise dispose of the Collateral or any interest therein without the prior written consent of the Bank, except that the Grantor may, until an event of default as hereinafter provided occurs, deal with any Inventory or Real Property (other than fixtures financed by the Bank and any replacements or substitutions therefor) in the ordinary course of business so that the purchaser thereof takes title thereto free and clear of the Security Interest; (ii) All Proceeds shall continue to be subject to the Security Interest, granted hereby and all money received by the Grantor as Proceeds, other than from the sale of Inventory, shall be received as trustee for the Bank and shall be held separate and apart from other money of the Grantor, and shall be paid over to the Bank upon request; (iii) All money collected or received by the Bank in respect of the Collateral may be applied on account of such parts of the Obligations as the Bank in its sole discretion determines, or may be held unappropriated in a collateral account, or in the discretion of the Bank may be released to the Grantor, all without prejudice to the Bank's rights against the Grantor; (iv) Before an event of default occurs hereunder, the Bank may give notice of this Agreement and the Security Interest to any Account Debtor who is obligated to the Grantor under any of the Accounts and Book Debts and, after the occurrence of an event of default hereunder, may give notice to any such Account Debtor to make all further payments to the Bank, and any payment or other Proceeds received by the Grantor from an Account Debtor after an event of default whether before or after any notice is given by the Bank, shall be held by the Grantor in trust for the Bank and paid over to the Bank on request. The Bank shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Bank may consider appropriate and the Grantor agrees to furnish all assistance and information and to perform all such acts as the Bank may reasonably request in connection therewith and for such purpose to grant to the Bank or its agents access to all places where Collateral may be located and to all premises occupied by the Grantor;
- (h) **Maintenance of Records.** The Grantor will keep proper books of account in accordance with sound accounting practice and mark any and all such records and the Collateral at the Bank's request so as to indicate the Security Interest. The Grantor shall furnish to the Bank such financial information and statements and such information and statements relating to the Collateral as the Bank may from time to time require and shall permit the Bank or its agents at any time at the expense of the Grantor to examine the books of account and other financial records and reports relating to the Collateral and to make copies thereof and take extracts therefrom and to make inquiries of third parties for the purpose of verification of such information. The Grantor authorizes any Person holding any Books and Records to make them available, in a readable form, upon the request of the Bank. The Grantor will deliver to the Bank any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral;
- (i) **Negative Pledge.** The Grantor will not create, incur, assume or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, hypothec, encumbrance or statutory lien or trust (including any conditional sale, or other title retention agreement or finance lease) of any nature, on any of the Collateral (other than Real Property, but not including any fixtures financed by the Bank and any replacements or substitutions therefor) without the express prior written consent of the Bank;
- (j) **Insurance.** The Grantor will keep the Collateral insured under policies with such coverage, for such amounts and with such insurers as are satisfactory to the Bank from time to time, with loss thereunder, payable to the Bank and shall furnish the Bank with a copy of any policy of insurance, certificate of insurance or other evidence satisfactory to the Bank that such insurance coverage is in effect;
- (k) **Further Assurances.** The Grantor will from time to time forthwith, at the expense of the Grantor, duly authorize, execute and deliver such further instruments and documents, and take such further action, as the Bank may request for the purpose of obtaining or preserving the benefits of, and the rights and powers granted by, this Agreement (including the filing of any financing statements or financing change statements under any applicable legislation with respect to the Collateral) and for the purpose of correcting any deficiencies or clerical errors in this Agreement; and

- (i) **Landlord Agreement.** The Grantor will, at the request of the Bank, obtain a written agreement from each landlord of premises where any of the Collateral is located, in favour of the Bank and in form and substance satisfactory to the Bank, whereby such landlord agrees to give notice to the Bank of any default by the Grantor under the lease and a reasonable opportunity to cure such default prior to the exercise of any remedies by the landlord and acknowledges the Security Interest created by this Agreement and the right of the Bank to enforce the Security Interest created by this Agreement in priority to any claim of such landlord, including the right of the landlord to distrain on the Collateral for arrears of rent.

6. Survival of Representations and Warranties and Covenants

All agreements, representations, warranties and covenants made by the Grantor in this Agreement are material, will be considered to have been relied on by the Bank and will survive the execution and delivery of this Agreement or any investigation made at any time by or on behalf of the Bank and any disposition or payment of the Obligations until the indefeasible repayment and performance in full of the Obligations.

7. Performance of Covenants by The Bank

- (a) The Bank may, in its sole discretion and upon notice to the Grantor, perform any covenant of the Grantor under this Agreement that the Grantor fails to perform including any covenant the performance of which requires the payment of money, provided that the Bank will not be obligated to perform such covenant on behalf of the Grantor. The performance by the Bank of any such covenant shall not oblige the Bank to continue to perform any such covenant or other covenants nor relieve the Grantor from any default or derogate from the rights and remedies of the Bank under this Agreement. The Grantor agrees to indemnify and to reimburse the Bank for all costs and expenses incurred by the Bank in connection with the performance by it of any such covenant, and all such costs and expenses shall be payable by the Grantor to the Bank on demand, shall bear interest at the highest rate per annum applicable to any of the Obligations, calculated and compounded monthly, and shall be added to and form part of the Obligations.
- (b) In holding any Collateral, the Bank and any agent or nominee on its behalf is only bound to exercise the same degree of care as it would exercise with respect to similar property of its own or of similar value held in the same or similar location. The Bank and any agent or nominee on its behalf will be deemed to have exercised reasonable care with respect to the custody and preservation of the Collateral if it takes such action for that purpose as the Grantor reasonably requests in writing, but failure of the Bank or its nominees to comply with any such request will not of itself be deemed a failure to exercise reasonable care.

8. Securities, Investment Property

If Collateral at any time includes Securities, the Grantor authorizes the Bank to transfer all or any of such Securities into its own name or that of its nominee(s) so that the Bank or its nominee(s) may appear on record as the sole owner thereof; provided that, until default, the Bank shall deliver promptly to the Grantor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Grantor or its order a proxy to vote and take all action with respect to such Securities. After default, the Grantor waives all rights to receive any notices or communications received by the Bank or its nominee(s) as such registered owner and agrees that no proxy issued by the Bank to the Grantor or its order as aforesaid shall thereafter be effective.

Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, the Bank may, at any time give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

The Grantor has not consented to and covenants that it will not consent to, the entering into of a Control Agreement by: (a) any issuer of any uncertificated securities included in or relating to the Collateral; or (b) any securities intermediary for any securities accounts or security entitlements included in or relating to the Collateral, other than, in either case, a Control Agreement to which the Bank is a party.

Promptly upon request from time to time by the Bank, the Grantor shall:

- (a) enter into and use reasonable commercial efforts to cause any securities intermediary for any securities accounts or securities entitlements included in or relating to the Collateral to enter into a Control Agreement with the Bank with respect to such securities accounts or securities entitlements as the Bank requires in form and substance satisfactory to the Bank; and
- (b) enter into and use reasonable commercial efforts to cause any issuer of any uncertificated securities included in or relating to the Collateral to enter into a Control Agreement with the Bank with respect to such uncertificated securities in form and substance satisfactory to the Bank.

9. Dealing with Security Interest

The Bank may grant extensions of time and other indulgences, give up any of the Security Interest, abstain from perfecting any of the Security Interest, accept compositions, grant releases and discharges and waive rights against and otherwise deal with the Grantor, Account Debtors of the Grantor, sureties and others and with any of the Collateral and any other security as the Bank may see fit without prejudice to the liability of the Grantor or the Bank's right to hold and realize any of the Security Interest. The Bank shall not be accountable to the Grantor for the value of any of the Security Interest released except for any moneys actually received by the Bank.

10. Deposits and Credit Balances

Without limiting any other rights or remedies of the Bank, the Bank may, without notice to the Grantor or any other Person, any notice being expressly waived by the Grantor, set-off and apply all or any of the amounts standing to or for the credit of the Grantor at the Bank or any of the Bank's affiliates, in any currency, against and on account of all or any part of the Obligations, all as the Bank may see fit, whether or not the Obligations or the amounts standing to or for the credit of the Grantor are due and payable. The Bank is authorized and shall be entitled to make such debits, credits, correcting entries, and other entries to the Grantor's accounts and the Bank's records relating to the Grantor as the Bank regards as desirable in order to give effect to the Bank's rights hereunder and the Grantor agrees to be bound by such entries absent manifest error. When applying a deposit or other obligation in a different currency than the Obligations to the Obligations, the Bank will convert the deposit or other obligation to the currency of the Obligations using the rate of exchange for the conversion of such currency as determined by the Bank or its agents and the Bank or its agent may earn revenue on such conversion.

11. Events of Default

Obligations not payable on demand shall, at the option of the Bank, become immediately due and payable upon the occurrence of one or more of the following events (each, an "event of default"):

- (a) the Grantor fails to pay when due, whether by acceleration or otherwise, any of the Obligations;
- (b) the Grantor fails to perform any provision of this Agreement or of any other agreement to which the Grantor and the Bank are parties;
- (c) if any certificate, statement, representation, warranty, audit report or financial statement heretofore or hereafter furnished by or on behalf of the Grantor pursuant to or in connection with this Agreement, or as an inducement to the Bank to extend any credit to or to enter into this or any other agreement with the Grantor, is shown to have been false in any material respect or to have omitted any material fact; or if upon the date of execution of this Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty, audit report or financial statement, which change shall not have been disclosed to the Bank at or prior to the time of such execution;
- (d) the Grantor ceases or threatens to cease to carry on business, commits an act of bankruptcy, becomes insolvent, proceedings or other actions are taken by or against the Grantor under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or similar legislation whether in Canada or elsewhere, or the Grantor transfers all or substantially all of its assets to another Person;
- (e) a receiver, trustee, custodian or other similar official is appointed in respect of the Grantor or any of the Grantor's property;
- (f) the institution by or against the Grantor of any formal or informal proceeding for the dissolution or liquidation or settlement of claims against or winding up of affairs of the Grantor;
- (g) an encumbrancer takes possession of any of the Collateral or any process of execution or distress is levied or enforced upon or against any of the Collateral;
- (h) any indebtedness or liability of the Grantor, other than to the Bank, becomes due and payable, or capable of being declared due and payable, before the stated maturity thereof or any such indebtedness or liability shall not be paid at the maturity thereof or upon the expiration of any stated applicable grace period thereof, or the Grantor fails to make payment when due under any guarantee given by the Grantor;
- (i) if the Grantor is an individual, the Grantor dies or is found by a court to be incapable of managing his or her affairs;
- (j) an execution or any other process of any court shall become enforceable against the Grantor;
- (k) if the Grantor is a partnership, the death of a partner; or
- (l) any other event which causes the Bank, in good faith, to deem itself insecure;

and the Bank shall not be required to make any further advances or other extension of credit that constitutes an Obligation.

12. Remedies

- (a) Upon the occurrence of an event of default that has not been cured or waived, the Bank, in addition to any right or remedy otherwise provided herein or by law or in equity, will have the rights and remedies set out below, which may be enforced successively or concurrently:
 - (i) to take such steps as the Bank considers desirable to maintain, preserve or protect the Collateral or its value;

- (ii) to take possession of the Collateral and require the Grantor to assemble the Collateral and deliver or make the Collateral available to the Bank at such place as may be specified by the Bank, and the Bank will not be or be deemed to be a mortgagee in possession by virtue of any such actions;
 - (iii) to exercise and enforce all rights and remedies of the Grantor with respect to the Collateral, including collecting and realizing upon all Accounts and Book Debts;
 - (iv) to carry on or concur in carrying on all or any part of the business of the Grantor;
 - (v) for the maintenance, preservation or protection of the Collateral or for carrying on any of the business of the Grantor, to borrow money on the security of the Collateral, which security will rank in priority to the Security Interest, or on an unsecured basis;
 - (vi) to the exclusion of all others, including the Grantor, to enter upon, occupy and use all or any of the premises, buildings and plants owned or occupied by the Grantor and use all or any of the Collateral of the Grantor for such time as the Bank requires to facilitate the preservation and realization of the Collateral, free of charge, and the Bank will not be liable to the Grantor for any neglect in so doing or in respect of any rent, charges, depreciation or damages in connection with such actions;
 - (vii) to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of the Collateral upon such terms and conditions as the Bank may determine;
 - (viii) to dispose of any of the Collateral in the condition in which it was at the date possession of it was taken, or after any commercially reasonable repair, processing or preparation thereof for disposition;
 - (ix) if any part of the Collateral is perishable or will decline speedily in value, to sell or otherwise dispose of same without giving any notice of such disposition;
 - (x) to make any arrangement or compromise which the Bank shall think expedient in the interests of the Bank, including compromising any Accounts and Book Debts, and giving time for payment thereof with or without security;
 - (xi) to appoint a consultant or monitor, at the Grantor's expense, to evaluate the Grantor's business and the value of the Collateral, and to review the options available to the Bank; and
 - (xii) to appoint or reappoint by instrument in writing any person or persons, whether an officer or officers or employee or employees of the Bank or not, to be a receiver or receivers or a receiver and manager of the Collateral and remove or replace any person or persons so appointed or apply to any court for the appointment of a receiver or receiver and manager (each hereinafter called a "Receiver").
- (b) Any Receiver so appointed shall be deemed to be the agent of the Grantor and not the Bank, and the Grantor and not the Bank, shall be solely responsible for the Receiver's acts or defaults and for the Receiver's remuneration and expenses. The Bank shall not be in any way responsible for any misconduct, negligence or failure to act on the part of any such Receiver, its servants, agents or employees.
- (c) The Grantor agrees to pay all costs, charges and expenses incurred by the Bank or any Receiver appointed by the Bank, whether directly or for services rendered (including reasonable legal and auditors' costs and expenses and Receiver remuneration), in operating the Grantor's accounts, in preparing or enforcing this Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting the Obligations, and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by the Bank or any Receiver appointed by the Bank, as permitted hereby, shall be a first charge on the Collateral and shall be secured hereby.
- (d) The Bank will give the Grantor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the PPSA.
- (e) Upon default and receiving written demand from the Bank, the Grantor agrees to take such further action as may be necessary to evidence and effect an assignment or licensing of intellectual property to whomever the Bank directs, including to the Bank. The Grantor appoints any officer or employee of the Bank to be its attorney in accordance with applicable legislation with full power of substitution, to do on the Grantor's behalf anything that is required to assign, license or transfer, and to record any assignment, license or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.
- (f) The Grantor authorizes the Bank to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying any Collateral or identifying the locations at which the Collateral is located and correcting any clerical errors or deficiencies in this Agreement) as the Bank may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest. The Grantor hereby irrevocably constitutes and appoints the Bank and any of its officers or employees from time to time as the true and lawful attorney of the Grantor, with full power of substitution, to do any of the foregoing in the name of the Grantor whenever and wherever it may be deemed necessary or

expedient. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

If the disposition of the Collateral fails to satisfy the Obligations secured by this Agreement including the expenses incurred by the Bank in connection with the preservation and realization of the Collateral as described above, the Grantor shall be liable to pay any deficiency to the Bank forthwith on demand.

13. Environmental License and Indemnity

The Grantor hereby grants to the Bank and its officers, employees and agents an irrevocable and non-exclusive license, subject to the rights of tenants, to enter any Real Property to conduct investigations, inspections, audits, testing and monitoring with respect to any contaminants or hazardous substances and to remove and analyze samples of any contaminants or hazardous substances at the cost and expense of the Grantor (which cost and expense will form part of the Obligations and will be payable immediately on demand and secured hereby). The Grantor hereby indemnifies and will indemnify the Bank and agrees to hold the Bank harmless against and from all losses, fines, penalties, costs, damages and expenses which the Bank may sustain, incur or be held to be or for which it may become liable, at any time whatsoever for or by reason of or arising from the past, present or future presence of or, clean-up, removal or disposal of any contaminants or hazardous substances from, on, under or adjacent to any Real Property owned by the Grantor or which may become owned or occupied by the Bank or as a result of the Bank's compliance with environmental laws or environmental orders relating thereto, including any clean-up, decommissioning, restoration or remediation of any Real Property owned or occupied by the Grantor or other affected or adjacent lands or property. This indemnification will survive the satisfaction, release or extinguishment of the Obligations created hereby

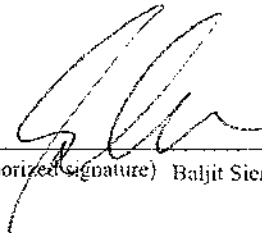
14. Miscellaneous

- (a) **Interpretation.** The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement (including any schedule now or hereafter annexed hereto) and not to any particular Section or other portion hereof. Unless otherwise specified, any reference herein to a Section or Schedule refers to the specified Section of or Schedule to this Agreement. In this Agreement: (i) words importing the singular number only shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders and vice versa; (ii) the words "include", "includes" and "including" mean "include", "includes" or "including", in each case, "without limitation"; (iii) reference to any agreement or other instrument in writing means such agreement or other instrument in writing as amended, modified, replaced or supplemented from time to time; (iv) unless otherwise indicated, time periods within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and (v) whenever any payment to be made or action to be taken hereunder is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next following Business Day.
- (b) **Successors and Assigns.** This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. In any action brought by an assignee of this Agreement and the Security Interest or any part thereof to enforce any rights hereunder, the Grantor shall not assert against the assignee any claim or defence which the Grantor now has or hereafter may have against the Bank.
- (c) **Amalgamation.** The Grantor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Grantor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby (i) shall extend to "Collateral" (as that term is herein defined) in which any amalgamating company has any rights at the time of amalgamation and to any "Collateral" in which the amalgamated company thereafter has any rights, and (ii) shall secure the "Obligations" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to the Bank at the time of amalgamation and any "Obligations" of the amalgamated company to the Bank thereafter arising.
- (d) **Joint and Several.** If there is more than one Grantor named herein, the term "Grantor" shall mean all and each of them, their obligations under this Agreement shall be joint and several, the Obligations shall include those of all or any one of them and no Grantor shall have the right of subrogation, exoneration, reimbursement or indemnity whatsoever and no right of recourse to the Collateral for the Obligations hereunder unless and until all of the Obligations have been paid or performed in full, notwithstanding any change for any cause or in any manner whatsoever in the composition of or membership of any firm or company which is a party hereto.
- (e) **Attachment of Security Interest.** The Grantor acknowledges that value has been given and that the Security Interest granted hereby will attach when the Grantor signs this Agreement and will attach to Collateral in which the Grantor subsequently acquires any rights, immediately upon the Grantor acquiring such rights. The parties do not intend to postpone the attachment of any Security Interest created by this Agreement.

- (f) **No Obligation to Advance.** Neither the execution of this Agreement nor any advance of funds shall oblige the Bank to advance any funds or any additional funds or enter into any transaction or renew any note or extend any time for payment of any of the Obligations of the Grantor to the Bank.
- (g) **Information.** The Bank may provide any financial and other information it has about the Grantor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or anyone acting on behalf of the Bank.
- (h) **Assignment.** The Bank may assign or transfer any of its rights under this Agreement without the consent of the Grantor. The Grantor may not assign its obligations under this Agreement without the prior written consent of the Bank.
- (i) **Amendment.** Subject to Section 12(f) of this Agreement, no amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by all of the parties hereto. No course of conduct by the Bank will be deemed to result in an amendment of this Agreement.
- (j) **Term.** This Agreement shall be a continuing agreement in every respect for the payment of the Obligations and it shall remain in full force and effect until all of the Obligations shall be indefeasibly paid in full or discharged by the Bank and until the Bank shall no longer have any commitment to the Grantor or any other Person, the fulfillment of which, might result in the creation of Obligations of the Grantor.
- (k) **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable in any respect, such invalidity or unenforceability will not affect the validity or enforceability of the remaining provisions of this Agreement.
- (l) **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the jurisdiction where the Branch of the Bank is located.
- (m) **Waiver by the Bank.** No delay or omission by the Bank in exercising any right or remedy hereunder or with respect to any Obligations shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or of any other right or remedy. Furthermore, the Bank may remedy any default by the Grantor hereunder or with respect to any Obligations in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Grantor. No course of conduct of the Bank will give rise to any reasonable expectation which is in any way inconsistent with the terms and conditions of this Agreement or the Bank's rights hereunder. All rights and remedies of the Bank granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- (n) **Waiver by the Grantor.** The Grantor waives protest of any Instrument constituting Collateral at any time held by the Bank on which the Grantor is in any way liable and, subject to clause 12(d) hereof, notice of any other action taken by the Bank.
- (o) **Non-Substitution.** The Security Interest is in addition to and not in substitution for any other security now or hereafter held by the Bank.
- (p) **Entire Agreement.** This Agreement including any schedule now or hereafter annexed hereto, constitutes the entire agreement between the Grantor and the Bank with respect to the subject matter hereof. There are no representations, warranties, terms and conditions, undertakings or collateral agreements, express, implied or statutory, between the parties except as expressly set forth in this Agreement.
- (q) **Acknowledgment.** The Grantor acknowledges receipt of a fully executed copy of this Agreement and, to the extent permitted by applicable law, waives the right to receive a copy of any financing statement, financing change statement or verification statement in respect of any registered financing statement or financing change statement prepared, registered or issued in connection with this Agreement.
- (r) **Execution.** The Grantor agrees that this Agreement may be executed electronically and in counterparts.

IN WITNESS WHEREOF the Grantor has executed this Agreement this 6th day of January, 2022

NOVO PLASTICS INC.

Per: 
(authorized signature) Baljit Sierra, President

Per: _____
(authorized signature)

Signature: _____

Witness as to execution

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

SCHEDULE "A"

DESCRIPTION OF EQUIPMENT/SERIAL NUMBERED GOODS

QUANTITY	DESCRIPTION	SERIAL NUMBER
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LOCATION OF COLLATERAL

The Collateral is now and will hereafter be located at the following address(es) (include Street/Town/City and Province):

388 Markland Street, Markham, Ontario L6C 1Z6

SPECIFIED COLLATERAL (Ontario only)

Quota/Licence No. _____ issued by _____ (including any successor marketing board or licencing authority in respect of marketing or setting prices for the same commodity, their successors and assigns, in each case called the "Board") and proceeds therefrom.

Additional Covenants of Customer Applicable to Above Collateral:

1. By executing this Agreement, Grantor has granted an assignment to the Bank of any and all rights of the Grantor in and to the above quota/licence, any amendments, substitutions, additions or supplements thereto, and any proceeds thereof.
2. Grantor agrees to maintain all of the above quota/licence rights in good standing and to comply with all of the rules, regulations and orders of the Board issuing such quota/licence.
3. Grantor agrees not to apply to the Board for the transfer of the above quota/licence, in whole or in part, without the prior written consent of the Bank.
4. The security and/or rights hereby granted shall extend to and include all present and future acquired quota/licence rights issued by the Board to the Grantor, whether issued under the above quota/licence number or under any other such number.

RESOLUTION AUTHORIZING EXECUTION OF GENERAL SECURITY AGREEMENT

"RESOLVED THAT:

- (a) The President and the _____ are hereby authorized for and on behalf of the Corporation to execute and deliver to The Toronto-Dominion Bank a General Security Agreement substantially in the form of the General Security Agreement (attached hereto and initialed by the Secretary for identification) presented to the directors, with such alterations, amendments, deletions or additions as may be approved by the persons executing the same and their execution shall be conclusive evidence of such approval and that the General Security Agreement so executed is the General Security Agreement authorized by this Resolution.
- (b) Any officer or director be and is hereby authorized to execute and deliver on behalf of the Corporation all such other documents and writings and to do such other acts and things as may be necessary or desirable for fulfilling the Corporation's obligations under the General Security Agreement."

CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of a Resolution duly passed by the Directors of NOVO PLASTICS INC.

on the _____ day of January, 2023 and that the said Resolution is now in full force and effect.

Secretary Baljit Sierra

C/S



TO: The Toronto-Dominion Bank (the "Bank")

Branch of the Bank: 2 ST. CLAIR AVENUE EAST TORONTO ON M4T 2V4

Granted By: 2139654 ONTARIO LIMITED

(the "Grantor")

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantor agrees with the Bank as follows:

1. Security Interest

The Grantor hereby grants to the Bank a security interest in, and assigns (other than with respect to trade-marks), mortgages, charges and pledges (collectively, the "Security Interest") to the Bank, all property of the Grantor, including all present and after acquired personal property and all other property, assets and undertaking of the kind hereinafter described below, in which the Grantor now has, or hereafter acquires, any right, title or interest, and accretions and accessions thereto (collectively called the "Collateral"):

- (a) **Intangibles.** All intangible property not otherwise described in this Section 1, including all contractual rights and insurance claims, options, permits, licences, quotas, subsidies, franchises, orders, judgments, patents, trademarks, trade names, trade secrets and know-how, inventions, goodwill, copyrights and other intellectual property of the Grantor, including any right or licence to use intellectual property belonging to a third party together with any specified collateral described in Schedule "A" hereto (collectively called "Intangibles");
- (b) **Chattel Paper and Documents of Title.** All chattel paper and all warehouse receipts, bills of lading and other documents of title, whether negotiable or not;
- (c) **Deposits and Credit Balances.** All monies and credit balances, including interest due thereon, which are now or may hereafter from time to time be on deposit with or standing to the credit of the Grantor with the Bank or any other bank, financial institution or other Person;
- (d) **Books and Records.** All deeds, documents, writings, papers, books of account and other books and records in any form, electronic or otherwise, relating to or evidencing any of the Collateral;
- (e) **Accounts and Book Debts.** All debts, accounts, claims and choses in action for moneys now due or owing or accruing due or which may hereafter become due or owing to the Grantor, including claims against the Crown in right of Canada or of any province, moneys which may become payable under any policy of insurance (collectively called "Accounts and Book Debts"), together with all contracts, securities, bills, notes, lien notes, judgments, mortgages, letters of credit and advices of credit, and all other rights, benefits and documents which are now or which may be taken, vested in or held by the Grantor in respect of or as security for the Accounts and Book Debts or any part thereof, and the full benefit and advantage thereof and all rights of actions, claims or demands which the Grantor now has or may hereafter have in respect of the foregoing;
- (f) **Equipment.** All tools, machinery, apparatus, equipment, vehicles, furniture, plants, fixtures, and other tangible personal property, other than inventory, wherever situate, including the assets, if any, described in Schedule "A" hereto (collectively called "Equipment");
- (g) **Inventory.** All goods forming the inventory of the Grantor, of whatever kind and wherever located, whether raw material, work in process or finished goods held for sale, lease or resale, or furnished or to be furnished under contracts for service or used or consumed in the business of the Grantor, goods used in or procured for packing or packaging, timber cut or to be cut, oil, gas and minerals extracted or to be extracted, all livestock and the young thereof after conception and all crops which become such within one year after the date of execution of this Agreement (collectively called "Inventory");
- (h) **Instruments.** All bills, notes, cheques, letters of credit and other instruments, whether negotiable or not (collectively called "Instruments");
- (i) **Securities.** All shares, stocks, warrants, options, bonds, debentures, debenture stock and all other securities and investment property of any kind and all instruments, whether negotiable or non-negotiable, and interest thereon and dividends, whether in shares, money or property, received or receivable upon or in respect of any securities and other investment property and all money or other property paid or payable on account of any return on, or repayment of, capital in respect of any securities or otherwise distributed or distributable in respect thereof or that will in any way be charged to, or be payable out of or in respect of, the capital of the issuer of the securities (collectively called "Securities");
- (j) **Real Property.** All real and immovable property, both freehold and leasehold, together with all buildings and fixtures (collectively called "Real Property"), and all rights under any lease or agreement relating to Real Property;

- (k) **Proceeds.** All proceeds of the property described above, including any property in any form derived directly or indirectly from any use or dealing with the property described above or the proceeds therefrom or that indemnifies or compensates for damage or loss to such property or the proceeds therefrom, including the money held in banks, financial institutions or any other Person (collectively called "Proceeds");

provided that (i) the Security Interest does not and will not extend to, and the Collateral will not include, any agreement, lease, right, franchise, licence or permit (the "contractual rights") to which the Grantor is a party or of which the Grantor has the benefit, to the extent that the Security Interest would permit any person to terminate the contractual rights unless the consent of one or more Persons has been obtained and until such consent has been obtained, which the Grantor agrees it will use commercially reasonable efforts to obtain if requested by the Bank, the Grantor agrees to hold its interest therein in trust for the Bank, and notwithstanding the foregoing, contractual rights shall not include any account or chattel paper; and (ii) with respect to Real Property, (A) the Security Interest granted hereby is constituted by way of a floating charge, but will become a fixed charge upon the earlier of the Obligations becoming immediately payable, and the occurrence of any other event that by operation of law would result in such floating charge becoming a fixed charge; and (B) the assignment, mortgage and charge granted hereby will not extend to the last day of the term of any lease or agreement relating to Real Property, but the Grantor will hold such last day in trust for the Bank and, upon the enforcement by the Bank of its Security Interest, will assign such last day as directed by the Bank.

2. Obligations Secured

The Security Interest secures the payment and performance of all present and future obligations of the Grantor to the Bank, including all debts and liabilities, direct or indirect, absolute or contingent, matured or not, wheresoever and howsoever incurred, whether incurred before, at the time of, or after the execution of this Agreement, whether the indebtedness and liability is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether arising from dealings between the Bank and the Grantor or from other dealings or proceedings by which the Bank may be or become in any manner whatsoever a creditor of the Grantor, and in any currency, whether incurred by the Grantor alone or with another or others and whether as a principal or surety, including all interest thereon and all amounts owed by the Grantor under this Agreement for fees, costs and expenses and in respect of indemnities granted under this Agreement (collectively called the "Obligations").

3. Definitions

- (a) Any word or term that is not otherwise defined in this Agreement shall have the meaning given to it in the *Personal Property Security Act* of the province in which the Branch of the Bank is located, as amended from time to time, and being referred to in this Agreement as the "PPSA". Any reference herein to "Collateral" shall, unless the context requires otherwise, be deemed to be a reference to "Collateral or any part thereof".
- (b) The following terms shall have the respective meanings set out below:

"Branch of the Bank" means the branch of the Bank located at the address specified above.

"Business Day" means any day other than a Saturday, Sunday or statutory holiday in the province in which the Branch of the Bank is located.

"Control Agreement" means:

- (a) with respect to any uncertificated security, an agreement between the issuer of such uncertificated security and any Person whereby such issuer agrees to comply with instructions that are originated by such Person in respect of such uncertificated security, without the further consent of the Grantor; and
- (b) with respect to any securities account or security entitlement, an agreement between the securities intermediary which maintains the particular securities account to which security entitlements included in the Collateral relate and any Person whereby such securities intermediary agrees to comply with any entitlement orders with respect to such securities accounts or security entitlements that are originated by such Person, without the further consent of the Grantor.

"Person" means any individual, sole proprietorship, joint venture, partnership, corporation, company, firm, association, co-operative, estate, government, government agency, regulatory authority, trust, or any entity of any nature.

4. Representations & Warranties

The Grantor hereby represents and warrants with the Bank and so long as this Agreement remains in effect shall be deemed to continuously represent and warrant that:

- (a) **Location of Head Office.** The address of the Grantor's chief executive office and the office where it keeps its records respecting the Accounts and Book Debts (the "Head Office") is set out below the name of the Grantor on the signature page of this Agreement;

- (b) **Location of Collateral.** The Collateral which is goods is or will be located at the address set out on the signature page of this Agreement or at the locations specified in Schedule "A" hereto or such other locations as have been agreed to by the Bank in writing, except for (i) goods in transit to such locations and (ii) inventory on lease or consignment, but including all fixtures, crops, oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral;
- (c) **Collateral Free and Clear.** The Collateral (other than Real Property) is the sole property of the Grantor free and clear of all security interests, liens, charges, mortgages, hypothecs, leases, licenses, infringements by third parties, encumbrances, statutory liens or trusts, other adverse claims or interests, or any rights of others, except for those security interests which are expressly approved by the Bank in writing prior to their creation or assumption;
- (d) **Amount of Accounts.** Each Account and Book Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor") and the amount represented by the Grantor to the Bank from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount unconditionally owing by such Account Debtor or Account Debtors, and no Account Debtor will have any defence, set-off, claim or counterclaim against the Grantor which can be asserted against the Bank, whether in any proceeding to enforce Collateral or otherwise;
- (e) **Status and Binding Obligation.** The Grantor (i) if a corporation or company, has been duly incorporated, amalgamated or continued, as the case may be, and is validly existing as a corporation or company, as the case may be, under the laws of its jurisdiction of incorporation, amalgamation or continuance, as the case may be, (ii) if not a corporation or company, has been duly created or established as a partnership, limited partnership or other entity and validly exists under the laws of the jurisdiction in which it has been created or established, and (iii) is duly qualified to carry on business and own property in each jurisdiction where it carries on business or where any of its property is located. The Grantor has adequate power, capacity and authority to carry on its business, own property, borrow monies and enter into agreements therefor, execute and deliver this Agreement, and perform its obligations under this Agreement, which Agreement constitutes a legally valid and binding obligation of the Grantor enforceable in accordance with its terms. The making of this Agreement will not result in the breach of, constitute a default under, contravene any provision of, or result in the creation of, any lien, charge, security interest, encumbrance or any other rights of others upon any property of the Grantor pursuant to any agreement, indenture or other instrument to which the Grantor is a party or by which the Grantor or any of its property may be bound or affected; and
- (f) **Intellectual Property.** All intellectual property applications and registrations are valid, subsisting, unexpired, enforceable, in good standing and have not been abandoned and the Grantor is the owner of the applications and registrations.

5. Covenants

The Grantor covenants and agrees with the Bank that:

- (a) **Place of Business and Location of Collateral.** The Grantor shall not change its name or the location of its Head Office, amalgamate with any other Person, or move any of the Collateral from the address set out on the signature page of this Agreement or the locations specified in Schedule "A" hereto other than in accordance with clause 5(g), without the prior written consent of the Bank;
- (b) **Notification.** The Grantor shall notify the Bank promptly of: (i) any change in the information contained herein or in Schedule "A" hereto relating to the Grantor, the Grantor's business or Collateral; (ii) the details of any significant acquisition of Collateral; (iii) the details of any claims or litigation affecting the Grantor or the Collateral and will furnish the Bank with copies of the details of such claims or litigation; (iv) any loss or damage to Collateral or any material adverse change in the value of Collateral; and (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral;
- (c) **Performance of Obligations.** The Grantor shall observe and perform all its obligations under all material leases, licenses, undertakings and agreements to which it is a party, obtain and preserve its rights, powers, licences, privileges, franchises and goodwill thereunder, and comply with all applicable laws, by-laws, rules, regulations and ordinances in a proper and efficient manner so as to preserve and protect the Collateral and the business and undertaking of the Grantor in all material respects. The Grantor shall also pay all rents, taxes, rates, levies, assessments and government fees or dues levied, assessed or imposed in respect of the Collateral and other charges or any part thereof as and when the same become due and payable, and shall provide to the Bank, when requested, the receipts and vouchers evidencing payment;
- (d) **Limitations on Discounts, Extensions of Accounts and Compromises.** The Grantor shall not grant any extension of time for payment of any Accounts or Book Debts, or compromise, compound or settle any Accounts or Book Debts for less than the full amount, or release, wholly or partially, any Person liable for the payment of any Accounts or Book Debts, or allow any credit or discount of any Account or Book Debt, other than in the ordinary course of business of the Grantor and consistent with industry practices;

- (c) **Payment of Fees and Expenses.** The Grantor will pay the Bank on demand all costs, fees and expenses (including legal fees on a solicitor and his own client basis) incurred by the Bank in the preparation, execution, registration and perfection of this Agreement and the carrying out of any of the provisions of this Agreement, including, protecting and preserving the Security Interest and enforcing by legal process or otherwise the remedies provided herein. All such costs and expenses payable by the Grantor to the Bank shall bear interest from time to time at the highest interest rate then applicable to any of the Obligations, calculated and compounded monthly, and shall be added to and form part of the Obligations secured hereunder;
- (f) **Maintenance and Protection of Collateral/No Fixtures.** The Grantor shall care for, protect and preserve the Collateral and not permit its value to be impaired and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Bank. The Grantor shall keep the Collateral in good order, condition and repair and shall not use the Collateral in violation of the provisions of this Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance. The Grantor will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Grantor in its business in good standing, unless otherwise agreed to in writing by the Bank. The Grantor shall apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so. The Grantor shall defend title to the Collateral against all claims and demands of all other Persons claiming the same or an interest therein and shall diligently initiate and prosecute legal action against every Person who infringes upon the Grantor's rights in intellectual property;
- (g) **Dealing with Collateral.** (i) The Grantor will not sell, lease, transfer, assign, deliver or otherwise dispose of the Collateral or any interest therein without the prior written consent of the Bank, except that the Grantor may, until an event of default as hereinafter provided occurs, deal with any Inventory or Real Property (other than fixtures financed by the Bank and any replacements or substitutions therefor) in the ordinary course of business so that the purchaser thereof takes title thereto free and clear of the Security Interest; (ii) All Proceeds shall continue to be subject to the Security Interest, granted hereby and all money received by the Grantor as Proceeds, other than from the sale of Inventory, shall be received as trustee for the Bank and shall be held separate and apart from other money of the Grantor, and shall be paid over to the Bank upon request; (iii) All money collected or received by the Bank in respect of the Collateral may be applied on account of such parts of the Obligations as the Bank in its sole discretion determines, or may be held unappropriated in a collateral account, or in the discretion of the Bank may be released to the Grantor, all without prejudice to the Bank's rights against the Grantor; (iv) Before an event of default occurs hereunder, the Bank may give notice of this Agreement and the Security Interest to any Account Debtor who is obligated to the Grantor under any of the Accounts and Book Debts and, after the occurrence of an event of default hereunder, may give notice to any such Account Debtor to make all further payments to the Bank, and any payment or other Proceeds received by the Grantor from an Account Debtor after an event of default whether before or after any notice is given by the Bank, shall be held by the Grantor in trust for the Bank and paid over to the Bank on request. The Bank shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Bank may consider appropriate and the Grantor agrees to furnish all assistance and information and to perform all such acts as the Bank may reasonably request in connection therewith and for such purpose to grant to the Bank or its agents access to all places where Collateral may be located and to all premises occupied by the Grantor;
- (h) **Maintenance of Records.** The Grantor will keep proper books of account in accordance with sound accounting practice and mark any and all such records and the Collateral at the Bank's request so as to indicate the Security Interest. The Grantor shall furnish to the Bank such financial information and statements and such information and statements relating to the Collateral as the Bank may from time to time require and shall permit the Bank or its agents at any time at the expense of the Grantor to examine the books of account and other financial records and reports relating to the Collateral and to make copies thereof and take extracts therefrom and to make inquiries of third parties for the purpose of verification of such information. The Grantor authorizes any Person holding any Books and Records to make them available, in a readable form, upon the request of the Bank. The Grantor will deliver to the Bank any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral;
- (i) **Negative Pledge.** The Grantor will not create, incur, assume or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, hypothec, encumbrance or statutory lien or trust (including any conditional sale, or other title retention agreement or finance lease) of any nature, on any of the Collateral (other than Real Property, but not including any fixtures financed by the Bank and any replacements or substitutions therefor) without the express prior written consent of the Bank;
- (j) **Insurance.** The Grantor will keep the Collateral insured under policies with such coverage, for such amounts and with such insurers as are satisfactory to the Bank from time to time, with loss thereunder, payable to the Bank and shall furnish the Bank with a copy of any policy of insurance, certificate of insurance or other evidence satisfactory to the Bank that such insurance coverage is in effect;
- (k) **Further Assurances.** The Grantor will from time to time forthwith, at the expense of the Grantor, duly authorize, execute and deliver such further instruments and documents, and take such further action, as the Bank may request for the purpose of obtaining or preserving the benefits of, and the rights and powers granted by, this Agreement (including the filing of any financing statements or financing change statements under any applicable legislation with respect to the Collateral) and for the purpose of correcting any deficiencies or clerical errors in this Agreement; and

- (l) **Landlord Agreement.** The Grantor will, at the request of the Bank, obtain a written agreement from each landlord of premises where any of the Collateral is located, in favour of the Bank and in form and substance satisfactory to the Bank, whereby such landlord agrees to give notice to the Bank of any default by the Grantor under the lease and a reasonable opportunity to cure such default prior to the exercise of any remedies by the landlord and acknowledges the Security Interest created by this Agreement and the right of the Bank to enforce the Security Interest created by this Agreement in priority to any claim of such landlord, including the right of the landlord to distrain on the Collateral for arrears of rent.

6. **Survival of Representations and Warranties and Covenants**

All agreements, representations, warranties and covenants made by the Grantor in this Agreement are material, will be considered to have been relied on by the Bank and will survive the execution and delivery of this Agreement or any investigation made at any time by or on behalf of the Bank and any disposition or payment of the Obligations until the indefeasible repayment and performance in full of the Obligations.

7. **Performance of Covenants by The Bank**

- (a) The Bank may, in its sole discretion and upon notice to the Grantor, perform any covenant of the Grantor under this Agreement that the Grantor fails to perform including any covenant the performance of which requires the payment of money, provided that the Bank will not be obligated to perform such covenant on behalf of the Grantor. The performance by the Bank of any such covenant shall not oblige the Bank to continue to perform any such covenant or other covenants nor relieve the Grantor from any default or derogate from the rights and remedies of the Bank under this Agreement. The Grantor agrees to indemnify and to reimburse the Bank for all costs and expenses incurred by the Bank in connection with the performance by it of any such covenant, and all such costs and expenses shall be payable by the Grantor to the Bank on demand, shall bear interest at the highest rate per annum applicable to any of the Obligations, calculated and compounded monthly, and shall be added to and form part of the Obligations.
- (b) In holding any Collateral, the Bank and any agent or nominee on its behalf is only bound to exercise the same degree of care as it would exercise with respect to similar property of its own or of similar value held in the same or similar location. The Bank and any agent or nominee on its behalf will be deemed to have exercised reasonable care with respect to the custody and preservation of the Collateral if it takes such action for that purpose as the Grantor reasonably requests in writing, but failure of the Bank or its nominees to comply with any such request will not of itself be deemed a failure to exercise reasonable care.

8. **Securities, Investment Property**

If Collateral at any time includes Securities, the Grantor authorizes the Bank to transfer all or any of such Securities into its own name or that of its nominee(s) so that the Bank or its nominee(s) may appear on record as the sole owner thereof; provided that, until default, the Bank shall deliver promptly to the Grantor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Grantor or its order a proxy to vote and take all action with respect to such Securities. After default, the Grantor waives all rights to receive any notices or communications received by the Bank or its nominee(s) as such registered owner and agrees that no proxy issued by the Bank to the Grantor or its order as aforesaid shall thereafter be effective.

Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, the Bank may, at any time give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

The Grantor has not consented to and covenants that it will not consent to, the entering into of a Control Agreement by: (a) any issuer of any uncertificated securities included in or relating to the Collateral; or (b) any securities intermediary for any securities accounts or security entitlements included in or relating to the Collateral, other than, in either case, a Control Agreement to which the Bank is a party.

Promptly upon request from time to time by the Bank, the Grantor shall:

- (a) enter into and use reasonable commercial efforts to cause any securities intermediary for any securities accounts or securities entitlements included in or relating to the Collateral to enter into a Control Agreement with the Bank with respect to such securities accounts or securities entitlements as the Bank requires in form and substance satisfactory to the Bank; and
- (b) enter into and use reasonable commercial efforts to cause any issuer of any uncertificated securities included in or relating to the Collateral to enter into a Control Agreement with the Bank with respect to such uncertificated securities in form and substance satisfactory to the Bank.

9. **Dealing with Security Interest**

The Bank may grant extensions of time and other indulgences, give up any of the Security Interest, abstain from perfecting any of the Security Interest, accept compositions, grant releases and discharges and waive rights against and otherwise deal with the Grantor, Account Debtors of the Grantor, sureties and others and with any of the Collateral and any other security as the Bank may see fit without prejudice to the liability of the Grantor or the Bank's right to hold and realize any of the Security Interest. The Bank shall not be accountable to the Grantor for the value of any of the Security Interest released except for any moneys actually received by the Bank.

10. Deposits and Credit Balances

Without limiting any other rights or remedies of the Bank, the Bank may, without notice to the Grantor or any other Person, any notice being expressly waived by the Grantor, set-off and apply all or any of the amounts standing to or for the credit of the Grantor at the Bank or any of the Bank's affiliates, in any currency, against and on account of all or any part of the Obligations, all as the Bank may see fit, whether or not the Obligations or the amounts standing to or for the credit of the Grantor are due and payable. The Bank is authorized and shall be entitled to make such debits, credits, correcting entries, and other entries to the Grantor's accounts and the Bank's records relating to the Grantor as the Bank regards as desirable in order to give effect to the Bank's rights hereunder and the Grantor agrees to be bound by such entries absent manifest error. When applying a deposit or other obligation in a different currency than the Obligations to the Obligations, the Bank will convert the deposit or other obligation to the currency of the Obligations using the rate of exchange for the conversion of such currency as determined by the Bank or its agents and the Bank or its agent may earn revenue on such conversion.

11. Events of Default

Obligations not payable on demand shall, at the option of the Bank, become immediately due and payable upon the occurrence of one or more of the following events (each, an "event of default"):

- (a) the Grantor fails to pay when due, whether by acceleration or otherwise, any of the Obligations;
- (b) the Grantor fails to perform any provision of this Agreement or of any other agreement to which the Grantor and the Bank are parties;
- (c) if any certificate, statement, representation, warranty, audit report or financial statement heretofore or hereafter furnished by or on behalf of the Grantor pursuant to or in connection with this Agreement, or as an inducement to the Bank to extend any credit to or to enter into this or any other agreement with the Grantor, is shown to have been false in any material respect or to have omitted any material fact; or if upon the date of execution of this Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty, audit report or financial statement, which change shall not have been disclosed to the Bank at or prior to the time of such execution;
- (d) the Grantor ceases or threatens to cease to carry on business, commits an act of bankruptcy, becomes insolvent, proceedings or other actions are taken by or against the Grantor under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or similar legislation whether in Canada or elsewhere, or the Grantor transfers all or substantially all of its assets to another Person;
- (e) a receiver, trustee, custodian or other similar official is appointed in respect of the Grantor or any of the Grantor's property;
- (f) the institution by or against the Grantor of any formal or informal proceeding for the dissolution or liquidation or settlement of claims against or winding up of affairs of the Grantor;
- (g) an encumbrancer takes possession of any of the Collateral or any process of execution or distress is levied or enforced upon or against any of the Collateral;
- (h) any indebtedness or liability of the Grantor, other than to the Bank, becomes due and payable, or capable of being declared due and payable, before the stated maturity thereof or any such indebtedness or liability shall not be paid at the maturity thereof or upon the expiration of any stated applicable grace period thereof, or the Grantor fails to make payment when due under any guarantee given by the Grantor;
- (i) if the Grantor is an individual, the Grantor dies or is found by a court to be incapable of managing his or her affairs;
- (j) an execution or any other process of any court shall become enforceable against the Grantor;
- (k) if the Grantor is a partnership, the death of a partner; or
- (l) any other event which causes the Bank, in good faith, to deem itself insecure;

and the Bank shall not be required to make any further advances or other extension of credit that constitutes an Obligation.

12. Remedies

- (a) Upon the occurrence of an event of default that has not been cured or waived, the Bank, in addition to any right or remedy otherwise provided herein or by law or in equity, will have the rights and remedies set out below, which may be enforced successively or concurrently:
 - (i) to take such steps as the Bank considers desirable to maintain, preserve or protect the Collateral or its value;

- (ii) to take possession of the Collateral and require the Grantor to assemble the Collateral and deliver or make the Collateral available to the Bank at such place as may be specified by the Bank, and the Bank will not be or be deemed to be a mortgagee in possession by virtue of any such actions;
 - (iii) to exercise and enforce all rights and remedies of the Grantor with respect to the Collateral, including collecting and realizing upon all Accounts and Book Debts;
 - (iv) to carry on or concur in carrying on all or any part of the business of the Grantor;
 - (v) for the maintenance, preservation or protection of the Collateral or for carrying on any of the business of the Grantor, to borrow money on the security of the Collateral, which security will rank in priority to the Security Interest, or on an unsecured basis;
 - (vi) to the exclusion of all others, including the Grantor, to enter upon, occupy and use all or any of the premises, buildings and plants owned or occupied by the Grantor and use all or any of the Collateral of the Grantor for such time as the Bank requires to facilitate the preservation and realization of the Collateral, free of charge, and the Bank will not be liable to the Grantor for any neglect in so doing or in respect of any rent, charges, depreciation or damages in connection with such actions;
 - (vii) to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of the Collateral upon such terms and conditions as the Bank may determine;
 - (viii) to dispose of any of the Collateral in the condition in which it was at the date possession of it was taken, or after any commercially reasonable repair, processing or preparation thereof for disposition;
 - (ix) if any part of the Collateral is perishable or will decline speedily in value, to sell or otherwise dispose of same without giving any notice of such disposition;
 - (x) to make any arrangement or compromise which the Bank shall think expedient in the interests of the Bank, including compromising any Accounts and Book Debts, and giving time for payment thereof with or without security;
 - (xi) to appoint a consultant or monitor, at the Grantor's expense, to evaluate the Grantor's business and the value of the Collateral, and to review the options available to the Bank; and
 - (xii) to appoint or reappoint by instrument in writing any person or persons, whether an officer or officers or employee or employees of the Bank or not, to be a receiver or receivers or a receiver and manager of the Collateral and remove or replace any person or persons so appointed or apply to any court for the appointment of a receiver or receiver and manager (each hereinafter called a "Receiver").
- (b) Any Receiver so appointed shall be deemed to be the agent of the Grantor and not the Bank, and the Grantor and not the Bank, shall be solely responsible for the Receiver's acts or defaults and for the Receiver's remuneration and expenses. The Bank shall not be in any way responsible for any misconduct, negligence or failure to act on the part of any such Receiver, its servants, agents or employees.
- (c) The Grantor agrees to pay all costs, charges and expenses incurred by the Bank or any Receiver appointed by the Bank, whether directly or for services rendered (including reasonable legal and auditors' costs and expenses and Receiver remuneration), in operating the Grantor's accounts, in preparing or enforcing this Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting the Obligations, and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by the Bank or any Receiver appointed by the Bank, as permitted hereby, shall be a first charge on the Collateral and shall be secured hereby.
- (d) The Bank will give the Grantor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the PPSA.
- (e) Upon default and receiving written demand from the Bank, the Grantor agrees to take such further action as may be necessary to evidence and effect an assignment or licensing of intellectual property to whomever the Bank directs, including to the Bank. The Grantor appoints any officer or employee of the Bank to be its attorney in accordance with applicable legislation with full power of substitution, to do on the Grantor's behalf anything that is required to assign, license or transfer, and to record any assignment, license or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.
- (f) The Grantor authorizes the Bank to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying any Collateral or identifying the locations at which the Collateral is located and correcting any clerical errors or deficiencies in this Agreement) as the Bank may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest. The Grantor hereby irrevocably constitutes and appoints the Bank and any of its officers or employees from time to time as the true and lawful attorney of the Grantor, with full power of substitution, to do any of the foregoing in the name of the Grantor whenever and wherever it may be deemed necessary or

expedient. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

If the disposition of the Collateral fails to satisfy the Obligations secured by this Agreement including the expenses incurred by the Bank in connection with the preservation and realization of the Collateral as described above, the Grantor shall be liable to pay any deficiency to the Bank forthwith on demand.

13. Environmental License and Indemnity

The Grantor hereby grants to the Bank and its officers, employees and agents an irrevocable and non-exclusive license, subject to the rights of tenants, to enter any Real Property to conduct investigations, inspections, audits, testing and monitoring with respect to any contaminants or hazardous substances and to remove and analyze samples of any contaminants or hazardous substances at the cost and expense of the Grantor (which cost and expense will form part of the Obligations and will be payable immediately on demand and secured hereby). The Grantor hereby indemnifies and will indemnify the Bank and agrees to hold the Bank harmless against and from all losses, fines, penalties, costs, damages and expenses which the Bank may sustain, incur or be held to be or for which it may become liable, at any time whatsoever for or by reason of or arising from the past, present or future presence of or, clean-up, removal or disposal of any contaminants or hazardous substances from, on, under or adjacent to any Real Property owned by the Grantor or which may become owned or occupied by the Bank or as a result of the Bank's compliance with environmental laws or environmental orders relating thereto, including any clean-up, decommissioning, restoration or remediation of any Real Property owned or occupied by the Grantor or other affected or adjacent lands or property. This indemnification will survive the satisfaction, release or extinguishment of the Obligations created hereby

14. Miscellaneous

- (a) **Interpretation.** The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement (including any schedule now or hereafter annexed hereto) and not to any particular Section or other portion hereof. Unless otherwise specified, any reference herein to a Section or Schedule refers to the specified Section of or Schedule to this Agreement. In this Agreement: (i) words importing the singular number only shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders and vice versa; (ii) the words "include", "includes" and "including" mean "include", "includes" or "including", in each case, "without limitation"; (iii) reference to any agreement or other instrument in writing means such agreement or other instrument in writing as amended, modified, replaced or supplemented from time to time; (iv) unless otherwise indicated, time periods within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and (v) whenever any payment to be made or action to be taken hereunder is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next following Business Day.
- (b) **Successors and Assigns.** This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. In any action brought by an assignee of this Agreement and the Security Interest or any part thereof to enforce any rights hereunder, the Grantor shall not assert against the assignee any claim or defence which the Grantor now has or hereafter may have against the Bank.
- (c) **Amalgamation.** The Grantor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Grantor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby (i) shall extend to "Collateral" (as that term is herein defined) in which any amalgamating company has any rights at the time of amalgamation and to any "Collateral" in which the amalgamated company thereafter has any rights, and (ii) shall secure the "Obligations" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to the Bank at the time of amalgamation and any "Obligations" of the amalgamated company to the Bank thereafter arising.
- (d) **Joint and Several.** If there is more than one Grantor named herein, the term "Grantor" shall mean all and each of them, their obligations under this Agreement shall be joint and several, the Obligations shall include those of all or any one of them and no Grantor shall have the right of subrogation, exoneration, reimbursement or indemnity whatsoever and no right of recourse to the Collateral for the Obligations hereunder unless and until all of the Obligations have been paid or performed in full, notwithstanding any change for any cause or in any manner whatsoever in the composition of or membership of any firm or company which is a party hereto.
- (e) **Attachment of Security Interest.** The Grantor acknowledges that value has been given and that the Security Interest granted hereby will attach when the Grantor signs this Agreement and will attach to Collateral in which the Grantor subsequently acquires any rights, immediately upon the Grantor acquiring such rights. The parties do not intend to postpone the attachment of any Security Interest created by this Agreement.

- (f) **No Obligation to Advance.** Neither the execution of this Agreement nor any advance of funds shall oblige the Bank to advance any funds or any additional funds or enter into any transaction or renew any note or extend any time for payment of any of the Obligations of the Grantor to the Bank.
- (g) **Information.** The Bank may provide any financial and other information it has about the Grantor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or anyone acting on behalf of the Bank.
- (h) **Assignment.** The Bank may assign or transfer any of its rights under this Agreement without the consent of the Grantor. The Grantor may not assign its obligations under this Agreement without the prior written consent of the Bank.
- (i) **Amendment.** Subject to Section 12(f) of this Agreement, no amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by all of the parties hereto. No course of conduct by the Bank will be deemed to result in an amendment of this Agreement.
- (j) **Term.** This Agreement shall be a continuing agreement in every respect for the payment of the Obligations and it shall remain in full force and effect until all of the Obligations shall be indefeasibly paid in full or discharged by the Bank and until the Bank shall no longer have any commitment to the Grantor or any other Person, the fulfillment of which, might result in the creation of Obligations of the Grantor.
- (k) **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable in any respect, such invalidity or unenforceability will not affect the validity or enforceability of the remaining provisions of this Agreement.
- (l) **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the jurisdiction where the Branch of the Bank is located.
- (m) **Waiver by the Bank.** No delay or omission by the Bank in exercising any right or remedy hereunder or with respect to any Obligations shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or of any other right or remedy. Furthermore, the Bank may remedy any default by the Grantor hereunder or with respect to any Obligations in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Grantor. No course of conduct of the Bank will give rise to any reasonable expectation which is in any way inconsistent with the terms and conditions of this Agreement or the Bank's rights hereunder. All rights and remedies of the Bank granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- (n) **Waiver by the Grantor.** The Grantor waives protest of any Instrument constituting Collateral at any time held by the Bank on which the Grantor is in any way liable and, subject to clause 12(d) hereof, notice of any other action taken by the Bank.
- (o) **Non-Substitution.** The Security Interest is in addition to and not in substitution for any other security now or hereafter held by the Bank.
- (p) **Entire Agreement.** This Agreement including any schedule now or hereafter annexed hereto, constitutes the entire agreement between the Grantor and the Bank with respect to the subject matter hereof. There are no representations, warranties, terms and conditions, undertakings or collateral agreements, express, implied or statutory, between the parties except as expressly set forth in this Agreement.
- (q) **Acknowledgment.** The Grantor acknowledges receipt of a fully executed copy of this Agreement and, to the extent permitted by applicable law, waives the right to receive a copy of any financing statement, financing change statement or verification statement in respect of any registered financing statement or financing change statement prepared, registered or issued in connection with this Agreement.
- (r) **Execution.** The Grantor agrees that this Agreement may be executed electronically and in counterparts.

IN WITNESS WHEREOF the Grantor has executed this Agreement this 6th day of January, 2022

AR - 166

2139654 ONTARIO LIMITED

Per: _____

(authorized signature) Baljit Sierra, President

Per: _____

(authorized signature)

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Witness as to execution

AR - 167
SCHEDULE "A"

DESCRIPTION OF EQUIPMENT/SERIAL NUMBERED GOODS

QUANTITY	DESCRIPTION	SERIAL NUMBER
----------	-------------	---------------

LOCATION OF COLLATERAL

The Collateral is now and will hereafter be located at the following address(es) (include Street/Town/City and Province):

388 Markland Street, Markham, Ontario L6C 1Z6

SPECIFIED COLLATERAL (Ontario only)

Quota/Licence No. _____ issued by _____ (including any successor marketing board or licencing authority in respect of marketing or setting prices for the same commodity, their successors and assigns, in each case called the "Board") and proceeds therefrom.

Additional Covenants of Customer Applicable to Above Collateral:

1. By executing this Agreement, Grantor has granted an assignment to the Bank of any and all rights of the Grantor in and to the above quota/licence, any amendments, substitutions, additions or supplements thereto, and any proceeds thereof.
2. Grantor agrees to maintain all of the above quota/licence rights in good standing and to comply with all of the rules, regulations and orders of the Board issuing such quota/licence.
3. Grantor agrees not to apply to the Board for the transfer of the above quota/licence, in whole or in part, without the prior written consent of the Bank.
4. The security and/or rights hereby granted shall extend to and include all present and future acquired quota/licence rights issued by the Board to the Grantor, whether issued under the above quota/licence number or under any other such number.

RESOLUTION AUTHORIZING EXECUTION OF GENERAL SECURITY AGREEMENT

"RESOLVED THAT:

- (a) The President _____ and the _____ are hereby authorized for and on behalf of the Corporation to execute and deliver to The Toronto-Dominion Bank a General Security Agreement substantially in the form of the General Security Agreement (attached hereto and initialed by the Secretary for identification) presented to the directors, with such alterations, amendments, deletions or additions as may be approved by the persons executing the same and their execution shall be conclusive evidence of such approval and that the General Security Agreement so executed is the General Security Agreement authorized by this Resolution.
- (b) Any officer or director be and is hereby authorized to execute and deliver on behalf of the Corporation all such other documents and writings and to do such other acts and things as may be necessary or desirable for fulfilling the Corporation's obligations under the General Security Agreement."

CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of a Resolution duly passed by the Directors of 2139654 ONTARIO LIMITED

on the _____ day of January, 2023 and that the said Resolution is now in full force and effect.

Secretary Baljit Sierra

C/S

This is Exhibit "G" referred to in the Affidavit of Sicheng Lou
sworn before me this 10th day of April, 2026



Commissioner for Taking Affidavits

Properties				
PIN	03047 - 0057	LT	Interest/Estate	Fee Simple
Description	PCL 19-6, SEC MA3 ; PT LT 19, CON 3 (MKM) , PART 1 , 65R18445 , MARKHAM			
Address	388 MARKLAND STREET MARKHAM			

Chargor(s)	
The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.	
Name	2139654 ONTARIO LIMITED
Address for Service	388 Markland Street, Markham, Ontario, Canada, L6C 1Z6
A person or persons with authority to bind the corporation has/have consented to the registration of this document.	
This document is not authorized under Power of Attorney by this party.	

Chargee(s)	Capacity	Share
Name	THE TORONTO-DOMINION BANK	
Address for Service	2 ST. CLAIR AVENUE EAST TORONTO ON M4T 2V4	

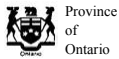
Statements
Schedule: See Schedules

Provisions			
Principal	\$21,000,000.00	Currency	CDN
Calculation Period	See Schedule		
Balance Due Date			
Interest Rate	See Schedule		
Payments			
Interest Adjustment Date			
Payment Date	ON DEMAND		
First Payment Date			
Last Payment Date			
Standard Charge Terms	8520		
Insurance Amount	Full insurable value		
Guarantor			

Signed By				
Michele Da Costa		900-3 Robert Speck Pkwy Mississauga L4Z 2G5	acting for Chargor(s)	Signed 2023 01 10
Tel	905-276-9111			
Fax	905-276-2298			
I have the authority to sign and register the document on behalf of the Chargor(s).				

Submitted By		
KEYSER MASON BALL LLP	900-3 Robert Speck Pkwy Mississauga L4Z 2G5	2023 01 10
Tel	905-276-9111	
Fax	905-276-2298	

Fees/Taxes/Payment	
Statutory Registration Fee	\$69.00
Total Paid	\$69.00



Schedule 1

Form 5 - Land Registration Reform Act, 1984

S

Page 2 of

Additional Property Identifier(s) and/or Other Information

This is a Schedule to a Charge made between 2139654 ONTARIO LIMITED
and THE TORONTO-DOMINION BANK.

Box (9)(b) The Chargor hereby agrees to pay interest on the Principal Amount at the following Interest Rate:

- the Bank's Prime Rate plus 5.0 % per annum. "Prime Rate" means the rate of interest per annum established and reported by the Bank to the Bank of Canada from time to time as a reference rate of interest for the determination of interest rates that the Bank charges to customers of varying degrees of credit worthiness in Canada for Canadian dollar loans made by it in Canada.

Box (9)(c) Interest at the Interest Rate aforesaid is calculated and payable monthly, not in advance, before and after demand, default and judgment. Interest is payable on overdue interest and on Indebtedness payable under this Charge at the aforesaid Interest Rate. Any payment appropriated as a permanent reduction of this Charge shall be first applied against interest accrued hereunder.

FOR OFFICE
USE ONLY

Properties

PIN 03047 - 0057 LT
Description PCL 19-6, SEC MA3 ; PT LT 19, CON 3 (MKM) , PART 1 , 65R18445 , MARKHAM
Address 388 MARKLAND STREET
MARKHAM

Consideration

Consideration \$2.00

Applicant(s)

The notice is based on or affects a valid and existing estate, right, interest or equity in land

Name 2139654 ONTARIO LIMITED
Address for Service 388 Markland Street
Markham, Ontario
L6C 1Z6

A person or persons with authority to bind the corporation has/have consented to the registration of this document.
This document is not authorized under Power of Attorney by this party.

Party To(s)	Capacity	Share
-------------	----------	-------

Name THE TORONTO-DOMINION BANK
Address for Service 2 St. Clair Avenue East
Toronto, Ontario
M4T 2V4

A person or persons with authority to bind the corporation has/have consented to the registration of this document.
This document is not authorized under Power of Attorney by this party.

Statements

This notice is pursuant to Section 71 of the Land Titles Act.
This notice may be deleted by the Land Registrar when the registered instrument, YR3514237 registered on 2023/01/10 to which this notice relates is deleted
Schedule: See Schedules
This document relates to registration number(s)YR3514237 and YR3514238.

Signed By

Mario Concordia	40 King Street West, Suite 5800 Toronto M5H 3S1	acting for Applicant(s)	Signed	2024 04 12
-----------------	---	----------------------------	--------	------------

Tel 416-595-8500
Fax 416-595-8695

I have the authority to sign and register the document on behalf of the Applicant(s).

Submitted By

MILLER THOMSON	40 King Street West, Suite 5800 Toronto M5H 3S1	2024 04 12
----------------	---	------------

Tel 416-595-8500
Fax 416-595-8695

Fees/Taxes/Payment

Statutory Registration Fee	\$69.95
Total Paid	\$69.95

File Number

Applicant Client File Number : 240586.2 (MC/PRM)

AMENDED AND RESTATED CHARGE AGREEMENT

This Agreement is made as of the 12th day of April, 2024.

BETWEEN:

2139654 ONTARIO LIMITED

(the "Chargor")

OF THE FIRST PART

- and -

THE TORONTO-DOMINION BANK

(the "Chargee")

OF THE SECOND PART

THIS AGREEMENT affects the lands and premises being composed of that certain parcel of land and premises municipally known as 388 Markland Street, in the City of Markham, in the Province of Ontario and as are more particularly described in Schedule "A" hereto (collectively the "Property").

WHEREAS by a Charge registered in the Land Registry Office for the Land Titles Division of York (No. 65) (the "LRO") on the 1st day of October, 2023 as Instrument No. YR3514237 (hereinafter called the "Original Charge"), the Chargor did charge the Property unto the Chargee for securing the payment of principal money in the amount of Twenty-One Million Dollars (\$21,000,000.00) (the "Principal Amount") and interest at the times and in the manner set forth in the Charge.

AND WHEREAS the Chargor and the Chargee wish to amend and restate the Original Charge, as set out herein.

NOW THEREFORE, in consideration of the extension of credit by the Chargee to the Chargor under the Letter Agreement (as defined below), the mutual covenants contained therein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confirmed, the Chargor and the Chargee hereby agree as follows.

- 1. Recitals:** The Chargor confirms the validity and truth of the above-noted recitals, which have the same force and effect as if repeated herein at length.
- 2. Charge of the Property:** The Chargor hereby charges the Property to the Chargee (such charge of the Property, the "Charge/Mortgage of Land"). The Chargor acknowledges the receipt of the herein Charge and the Standard Charge Terms (as hereinafter defined).
- 3. Provisions:** The provisions of the herein Charge/Mortgage of Land are as follows:

Principal:	\$23,500,000.00	Currency:	CDN
Interest Rate:	Prime Rate plus five percent (5.0%)		
Calculation Period:	See standard charge terms 8520 (the "Standard Charge Terms")		

4. Additional Provisions:

- a. In the event of inconsistency between the terms of this Charge/Mortgage of Land, including the Standard Charge Terms, and the terms of a letter agreement dated December 30, 2022 among, *inter alios*, the Chargor and the Chargee, as amended by a letter agreement dated April 8, 2024 and as may be further amended, restated, supplemented, replaced or otherwise modified from time to time (collectively, the "Letter Agreement"), the terms of the Letter Agreement shall prevail.
- b. Notwithstanding the provisions of the Standard Charge Terms, the loan indebtedness shall be limited to all indebtedness and all debts and liabilities, present and future, direct or indirect, absolute or contingent, matured or not, revolving or not, at any time owing by the Chargor to the Chargee or remaining unpaid by the Chargor to the Chargee under or by virtue of the Letter Agreement.

All capitalized terms in this provision shall have the meaning given to them in the Standard Charge Terms.

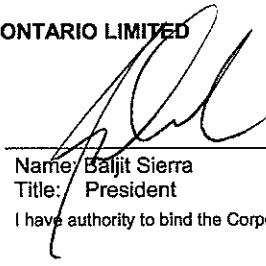
- c. The herein Charge/Mortgage of Land is hereby deemed to be a charge in the prescribed form for the purposes of the *Land Registration Reform Act* (“**LRRA**”), and, without limiting the foregoing, is deemed to include the implied covenants by the Chargor, for the Chargor and the Chargor’s successors, with the Chargee and the Chargee’s successors and assigns, as set out in section 7 of the LRRA.
- d. The herein Charge/Mortgage of Land is deemed to include the Standard Charge Terms (subject to subsection 4.a above).
- e. It is hereby acknowledged by all parties that the specific assignment of rents registered as Notice No. YR3514238 and any other security granted by the Chargor to the Chargee shall continue in full force and effect.
- f. The herein Charge/Mortgage of Land is in addition to and not in substitution for any other security heretofore, now or hereafter held by the Chargee in respect of the obligations of the Chargor under the Letter Agreement (the “**Secured Obligations**”). No rights or remedies of the Chargee pursuant to this Charge and such other security shall be exclusive or dependent upon any other, and the Chargee may from time to time exercise any one or more of such rights or remedies independently or in combination, such remedies being cumulative and not in the alternative.
- g. The Charge/Mortgage of Land constituted hereby is and shall for all purposes be deemed to be a consolidation and restatement of the Original Charge. While the herein Charge/Mortgage of Land shall supersede the Original Charge upon submission hereof for electronic registration, the herein Charge/Mortgage of Land merely amends and restates the Original Charge (and amends same pursuant to the terms hereof) and does not constitute or result in a novation or rescission of the Original Charge, or any security or any other document, agreement or instrument issued in connection therewith. Without limiting the foregoing, the Chargor hereby ratifies and reaffirms the Secured Obligations and each of the Chargor’s covenants, duties, indebtedness and liabilities under the Original Charge, which shall not merge upon but shall survive the amendment and restatement of the Original Charge constituted by this Charge/Mortgage of Land.
- h. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument. Execution may be made by facsimile or electronic signature which, for all purposes, shall be deemed to be an original. The parties hereto consent and agree that this Agreement may be signed and/or transmitted by facsimile, e-mail of a .pdf document, or using electronic signature technology (e.g., via DocuSign or similar electronic signature technology), and that such signed electronic record shall be valid and as effective to bind the party so signing as a paper copy bearing such party’s hand-written signature. The parties further consent and agree that: (i) to the extent a party signs this Agreement using electronic signature technology, by clicking “sign”, such party is signing this Agreement electronically; and (ii) the electronic signatures appearing on this Agreement shall be treated, for purposes of validity, enforceability, and admissibility, the same as hand-written signatures.
- i. The parties agree that this Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.
- j. No subsequent amendment, change or addition to this Agreement shall be binding upon the Chargee unless same shall be in writing and signed by the Chargee and the Chargor.

Signature page follows

IN WITNESS WHEREOF the Chargor hereby sets its hands and seal as of this 12th
day of April, 2024.

2139654 ONTARIO LIMITED

Per:


Name: Baljit Sierra

Title: President

I have authority to bind the Corporation

Additional Signatures on Following Page

The Chargee hereby acknowledges, confirms and agrees to the terms and conditions of the herein Charge as of the date noted above.

THE TORONTO-DOMINION BANK

Per: Jill Lamothe
Name: Jill Lamothe
Title: Manager Commercial Credit
Per: _____
Name:
Title:
I/We have authority to bind the Bank.

SCHEDULE “A”

388 Markland Street, Markham, Ontario

PIN 03047-0057 (LT)

PCL 19-6, SEC MA3; PT LT 19, CON 3 (MKM), PART 1, 65R18445, MARKHAM

Properties

PIN

03047 - 0057 LT

Description

PCL 19-6, SEC MA3 ; PT LT 19, CON 3 (MKM) , PART 1 , 65R18445 , MARKHAM

Address

388 MARKLAND STREET
MARKHAM

Consideration

Consideration

\$1.00

Applicant(s)

The notice is based on or affects a valid and existing estate, right, interest or equity in land

Name

2139654 ONTARIO LIMITED

Address for Service

388 Markland Street
Markham, Ontario
L6C 1Z6

A person or persons with authority to bind the corporation has/have consented to the registration of this document.
This document is not authorized under Power of Attorney by this party.

Party To(s)	Capacity	Share
Name THE TORONTO-DOMINION BANK Address for Service 2 St. Clair Avenue East, Toronto, Ontario M4T 2V4		
A person or persons with authority to bind the corporation has/have consented to the registration of this document. This document is not authorized under Power of Attorney by this party.		

Statements

This notice is pursuant to Section 71 of the Land Titles Act.

This notice may be deleted by the Land Registrar when the registered instrument, YR3514237 registered on 2023/01/10 to which this notice relates is deleted

Schedule: See Schedules

This document relates to registration number(s)YR3514237, YR 3514238, and YR3665823.

Signed By

Jordan William Evans Kamenetsky

40 King Street West Suite 2400
PO Box 215
Toronto
M5H 3Y2

acting for
Applicant(s)

Signed 2025 03 06

Tel

416-864-9700

Fax

416-941-8852

I have the authority to sign and register the document on behalf of the Applicant(s).

Submitted By

FOGLER, RUBINOFF LLP

40 King Street West Suite 2400 PO Box 215
Toronto
M5H 3Y2

2025 03 07

Tel

416-864-9700

Fax

416-941-8852

Fees/Taxes/Payment

Statutory Registration Fee

\$70.90

Total Paid

\$70.90

MORTGAGE AMENDING AGREEMENT

This amending agreement is made the 6th day of March, 2025.

BETWEEN:

THE TORONTO-DOMINION BANK

(the "**Lender**")

- and -

2139654 ONTARIO LIMITED and NOVO PLASTICS INC.

(collectively, the "**Borrowers**")

- and -

NOVO PLASTICS INC. and BALJIT SIERRA

(collectively, the "**Guarantors**")

WHEREAS the Lender and the Borrowers entered into a certain loan agreement dated as of December 30, 2022, (the "**Initial Loan Agreement**"), pursuant to which the Borrowers agreed to grant certain security to Lender over, *inter alia*, the property municipally located at 388 Markland Street, Markham, Ontario (the "**Property**") in connection with a mortgage facility providing up to \$21,000,000.00 on the terms and conditions set out therein (the "**Loan**") including, without limitation, a charge covering the Property made by 2139654 Ontario Inc. in favour of the Lender and registered on January 10, 2023 as Instrument No. YR3514237 (the "**Initial Charge**");

AND WHEREAS pursuant to a letter agreement between the Lender, the Borrowers and the Guarantors dated April 8, 2024 (the "**First Amending Agreement**"), the Initial Charge was amended by an amended and restated charged made between 2139654 Ontario Inc. and the Lender as of April 12, 2024, notice of which was registered on title to the Property as Instrument No. YR3665823 (the "**Mortgage Amending Agreement**" and collectively with the Initial Charge the "**Charge**");

AND WHEREAS in conjunction with an amendment to the loan agreement between the Borrowers, the Lender and the Guarantors dated as of July 23, 2024 and accepted September 13, 2024 (the "**Second Amending Agreement**" and together with the Initial Loan Agreement and the First Amending Agreement, collectively the "**Loan Agreement**") the Borrowers have agreed to amend the Charge upon the terms set out in this Agreement in consideration of the Lender making available additional facilities in favour of the Borrowers;

AND WHEREAS the Lender and the Borrowers desire to change, modify or amend certain provisions contained in the Charge;

NOW THEREFORE, for valuable consideration and the mutual covenants contained herein, the parties hereto agree as follows:

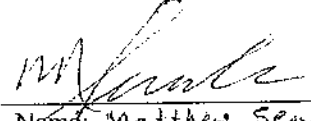
1. The principal amount secured is hereby amended from \$23,500,000.00 to \$26,500,000.00.

2. The Guarantors acknowledge and consent to the terms and provisions of this amendment.
3. The parties agree that save as is set out herein, all other terms and conditions contained in the Loan Agreement and the Charge shall remain in full force and effect, unamended and shall not in any way lessen or extinguish the covenants, representations and warranties contained therein, as amended.
4. The benefits conferred by the Loan Agreement and the Charge, each as amended, shall enure to the benefit of, and be correspondingly binding upon, the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns, and may not be assigned by the Borrowers.
5. This amendment may be executed: (i) by electronic transmission, including facsimile, scanned or email, and scanned electronic, facsimile signatures or using electronic signature technology (e.g., via DocuSign or similar electronic signature technology) shall be treated as originals for all purposes; and (ii) in counterparts and all counterparts taken together shall constitute an executed copy of this amendment.

[Signatures to Follow on Next Page]

IN WITNESS WHEREOF the parties hereunto affixed the signatures of their authorized signatories dully authorized in this regard.

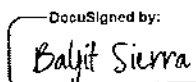
THE TORONTO-DOMINION BANK

Per: 
Name: Matthew Searle
Title: Senior Manager, Commercial credit

Per: _____
Name: _____
Title: _____

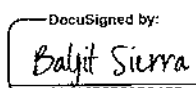
I/We have authority to bind the Bank.

2136954 ONTARIO LIMITED

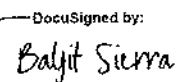
Per: 
Name: Baljit Sierra
Title: President

I have authority to bind the Corporation

NOVO PLASTICS INC.

Per: 
Name: Baljit Sierra
Title: President

I have authority to bind the Corporation


BALJIT SIERRA

Standard Charge Terms
Filing No. 8520
Land Registration Reform Act, 1984

This set of **STANDARD CHARGE TERMS** shall be deemed to be included in every Charge in which the set is referred to by its filing number, as provided in section 9 of the above Act.

1. Definitions

In this set of Standard Charge Terms:

- (a) **Bank** means The Toronto-Dominion Bank.
- (b) **Charge** means this Charge/Mortgage of Land made pursuant to the Land Registration Reform Act, 1984 and any amendments thereto, to which the Chargor and the Chargee are parties and which is dated as of the Date of Signature of the first named Chargor who signs the Charge.
- (c) **Chargee** means the Bank.
- (d) **Chargor** means each Chargor described in this Charge.
- (e) **Costs** means the fees, costs, charges and expenses of the Bank of and incidental to:
 - (i) the preparation, execution and registration of the Charge and any other instruments connected herewith;
 - (ii) the collection, enforcement, realization of the security herein contained;
 - (iii) procuring payment of the Indebtedness due and payable hereunder, including foreclosure, power of sale or execution proceedings commenced by the Bank or any other party;
 - (iv) any inspection required to be made of the Property;
 - (v) all necessary repairs required to be made to the Property;
 - (vi) the Bank's having to go into possession of the Property and secure, complete and equip the building or buildings in any way in connection therewith;
 - (vii) the Bank's renewal of any leasehold interest;
 - (viii) the exercise of any of the powers of a receiver contained herein; and
 - (ix) all solicitor's costs, costs and expenses of any necessary examination of the title to and of valuation of the Property.

Costs shall:

 - (i) extend to and include legal costs incurred by the Bank as between solicitor and his own client;
 - (ii) be payable forthwith by the Chargor; and
 - (iii) be a charge on the Property.
- (f) **Fixtures** include, but are not limited to, furnaces, boilers, oil burners, stokers, water heaters, electric light fixtures, screen and storm doors and windows, air conditioning, plumbing, cooling and heating equipment and all apparatus and equipment appurtenant to the Property.
- (g) **Indebtedness** means all monies and liabilities matured or not, whether present or future, direct or indirect, absolute or contingent, now or at any time hereafter owing or incurred, wheresoever or howsoever incurred from or by the Chargor, as principal or surety, whether alone or jointly with any other person and in whatever name style or firm, whether otherwise secured or not and whether arising from dealings between the Bank and the Chargor or from other dealings or proceedings by which the Bank may become a creditor of the Chargor including, without limitation, advances upon overdrawn accounts or upon bills of exchange, promissory notes or other obligations discounted for the Chargor or otherwise, all bills of exchange, promissory notes and other obligations negotiable or otherwise representing money and liabilities, or any portion thereof, now or hereafter owing or incurred from or by the Chargor and all interest, damages and Costs, and all premiums of insurance upon the buildings, Fixtures and improvements now or hereafter brought or erected upon the said Property which may be paid by the Bank and Taxes.
- (h) **Interest Rate** means the Interest Rate set out in Schedule 1 to this Charge.
- (i) **Principal Amount** means the Principal Amount in lawful money of Canada set out in this Charge.
- (j) **Property** means the property identified in this Charge by the Property Identifier(s) and described in the Description therein and in a Schedule to this Charge, if required, and includes all buildings, Fixtures and improvements now or hereafter brought or erected thereon.

- (k) **Spouse of Chargor** means each Spouse of Chargor described in this Charge.
- (l) **Taxes** means all taxes, rates and assessments, municipal, local, parliamentary or otherwise.

If the Property is a condominium unit, the following definitions apply:

- (m) **Condominium Corporation** means the Condominium Corporation which was created by the registration of the Declaration and the description relating thereto of which the Property hereby charged constitutes a part.
- (n) **Common Expenses** means the expenses of the performance of the objects and duties of the Condominium Corporation and any expenses specified as common expenses in the Condominium Act (Ontario), as amended from time to time or in the Declaration.
- (o) **Declaration** means the Declaration which, together with a description, was registered pursuant to the Condominium Act, to create the Condominium Corporation.

2. Charge of Property

The Chargor has, at the request of the Bank, agreed to give this Charge as a CONTINUING COLLATERAL SECURITY for payment to the Bank ON DEMAND of the Indebtedness, provided that such security be limited to the Principal Amount plus Costs with interest thereon at the Interest Rate. Interest at the Interest Rate is calculated and payable monthly, not in advance, before and after demand, default and judgment, with interest on overdue interest and on all other amounts charged to the Chargor hereunder at the Interest Rate. The Chargor,

- (a) if the Property is a freehold property, hereby charges the Property to the Bank; or
- (b) if the Property is a leasehold interest, hereby charges and subleases the Property to the Bank for and during the unexpired residue of the term of the lease, except the last day thereof, and all other estate, term, right of renewal and other interest of the Chargor in the lease;

to secure the repayment of the Indebtedness and the performance of all of the obligations of the Chargor contained herein. The Chargor hereby releases to the Bank all its claims upon the Property until the Chargor has repaid the Indebtedness and performed all of the obligations of the Chargor in the manner provided by this Charge.

3. Covenants of the Chargor

The Chargor hereby covenants with the Bank that:

- (a) The Chargor will ON DEMAND pay the Indebtedness and observe all provisos, conditions and agreements contained herein;
- (b) The Chargor has a good title in fee simple to the Property (unless the Chargor is a lessee of the Property), save and except prior registered encumbrances;
- (c) The Chargor has the right to charge the Property to the Bank;
- (d) On default, the Bank shall have quiet possession of the Property, free from all encumbrances, save as aforesaid;
- (e) Covenant 1.vii, deemed to be included in this Charge by subsection 7(1) of the Land Registration Reform Act, 1984 is hereby expressly varied by providing that the Chargor will, before or after default, execute such further assurances of the Property and do such other acts, at the Chargor's expense, as may be reasonably required;
- (f) The Chargor will insure the Property to an amount of not less than the Principal Amount PROVIDED that if and whenever such amount be greater than the insurable value of the buildings, Fixtures and improvements now or hereafter brought or erected upon the Property, such insurance shall not be required in any greater amount than such insurable value and if and whenever the same shall be less than the insurable value the Bank may require such insurance to the full replacement value. It is further agreed that the Bank may require any insurance hereunder to be cancelled and new insurance effected by an insurer to be approved by it and also may of its own accord effect or maintain any insurance herein provided for and any amount paid by the Bank therefor shall be payable forthwith to the Bank with interest at the Interest Rate by the Chargor and shall be a charge upon the Property;
- (g) The Chargor will in each year within ten (10) days after the Taxes become due and payable produce to and leave with the Bank the duly receipted tax bills for that year covering the Property;
- (h) This Charge shall be void UPON REPAYMENT of the Indebtedness upon demand; or without demand, UPON PERMANENT REPAYMENT of the Indebtedness, with written notice to such effect to the Bank. The Chargor releases to the Bank all the Chargor's claims upon the Property subject to this paragraph; and
- (i) The Chargor agrees to assign to the Bank forthwith upon the request of the Bank as additional security for payment of the Indebtedness and the performance of the covenants herein contained, any present or future lease which may be granted by the Chargor as to the whole or any portion of the Property and agrees to deliver to the Bank executed copies of all such leases at the written request of the Bank. The Chargor covenants to perform and comply with all lessor's covenants contained in any leases assigned by the Chargor to the Bank. Notwithstanding the assignment or assignments of any lease or leases by the Chargor to the Bank, it is nevertheless declared and agreed that none of the rights or remedies of the Bank under this Charge shall be delayed or in any way hindered or prejudiced by such assignment or assignments or by any act of the Bank pursuant thereto.

4. Additional Covenants if Property is a Leasehold Interest

The Chargor covenants with the Bank that:

- (a) The Chargor has a good leasehold title to the Property;
- (b) The Chargor has a right to charge and sublet the leasehold title to the Property to the Bank in the manner herein provided, and, if required, has obtained the lessor's consent to this Charge;
- (c) Neither the Chargor nor any other person has heretofore made, done, committed or suffered any act to encumber the lease or any part thereof;
- (d) The lease is a good, valid and subsisting lease and not surrendered, forfeited, amended or become void or voidable and the rents and covenants reserved have been duly paid and performed by the Chargor up to the Date of Signature of the Chargor;
- (e) During the continuance of this Charge, the Chargor will not amend, surrender or modify the lease without the written consent of the Bank and will pay the rent reserved by the lease and perform and observe the covenants, provisos and conditions contained in the lease and on the lessee's part to be performed and observed and hereby agrees to keep the Bank indemnified against all actions, claims and demands whatsoever in respect of the said rent and covenants or anything relating thereto; and
- (f) The Chargor will stand possessed of the Property for the last day of the term or any renewal term granted by the lease in trust for the Bank, and will assign and dispose thereof as the Bank may direct, but subject to the same right of redemption and other rights as are hereby given to the Chargor with respect to the derivative term hereby granted.

5. Repair and Maintenance of Property

The Chargor covenants with the Bank that the Chargor will keep the Property in good condition and repair. The Bank may, whenever it deems it necessary, by its agent enter upon and inspect the Property and the Chargor shall pay the Costs associated therewith. If the Chargor or anyone claiming under him neglects to keep the Property in good condition and repair or commits any act of waste on the Property or does anything by which the value of the Property shall be diminished, as to all of which the Bank shall be sole judge, or makes default as to any of the covenants or provisos herein contained, the Indebtedness shall, at the option of the Bank, forthwith become due and payable. In default of payment thereof the powers of entering upon and leasing or selling hereby given may be exercised forthwith, and the Bank may make such repairs as it deems necessary and the Costs thereof shall be paid by the Chargor.

6. Obligation to Build Diligently

The Chargor covenants with the Bank that if the Chargor fails at any time for a period of ten days to diligently carry on the work of construction of any building or buildings being or to be erected on the Property or, without the consent in writing of the Bank, departs in such construction from any plans and specifications thereof which must be approved by the Bank or from the generally accepted standards of construction in the locality of the Property, or permits any construction or other lien to be registered against the Property for any period exceeding thirty days, the Bank at its option at any time thereafter through its agents or contractors may enter the Property and have exclusive possession thereof and of all materials, plant, gear and equipment thereon free of interference from or by the Chargor and complete the construction of the building or buildings either according to the said plans and specifications or according to other plans, specifications or design as the Bank in its absolute discretion shall elect. All Costs in connection therewith shall be payable by the Chargor.

7. Remedies on Default of Chargor

It is hereby provided that:

(a) Power to Lease or Sell Property

The Bank on default of payment of the Indebtedness or any portion thereof for the minimum default period on giving the minimum notice, according to applicable law, may enter on, lease or sell the Property. Provided further that on default of payment for the minimum default period, according to applicable law, the foregoing power of entry, leasing and selling may be exercised by the Bank without any notice whatsoever.

(b) Rights of Bank in Sale of Property

- (i) The Bank in the event of default by the Chargor in payment of the Indebtedness or any portion thereof may sell the Property or any part thereof or, if the Property is a leasehold interest, sell the unexpired term of years demised by the lease or any part thereof by public auction or private sale for such price as can reasonably be obtained therefor and on such terms as to credit and otherwise and with such conditions of sale as it shall in its discretion deem proper, and in the event of any sale on credit or for cash or for part cash and part credit, the Bank shall not be accountable for or be charged with any monies until actually received by it. The Bank may rescind or vary any contract or sale and may buy in and re-sell the Property or any part thereof without being answerable for loss occasioned thereby; and no purchaser shall be bound to enquire into the legality, regularity or propriety of any sale or be affected by notice of any irregularity or impropriety; and no lack of default or want of notice or other requirement or any irregularity or impropriety of any kind shall invalidate any sale hereunder, but the Bank alone shall be responsible. The Bank may sell without entering into actual possession of the Property and while in possession shall be accountable only for monies which are actually received by it and sales may be made by it from time to time of parts of the Property to satisfy any portion of the Indebtedness, leaving the residue thereof secured hereunder on the remainder of the Property, or may take proceedings to sell and may sell the Property or any portion of the Property subject to the balance of the Indebtedness not yet due at the time of the said sale.

- (ii) Disposition of Leasehold Property - If the Property is a leasehold interest, the Chargor hereby irrevocably appoints the Bank as the Chargor's substitute to be the Chargor's attorney during the continuance of this security. In the event of default and on giving the notice contemplated herein to the Chargor for and on behalf of the Chargor, the Bank may assign the lease and convey the Property and the last day of the term granted by the lease as the Bank shall at any time direct, and in particular, upon any sale made by the Bank under the statutory power or power of sale herein contained, to assign the lease and convey the Property and the said reversion to the purchaser. It is hereby declared that the Bank or other person for the time being entitled to the Indebtedness may at any time, by deed, remove the Chargor or any other person from being a trustee of the lease under the declaration of trust hereinbefore declared and on the removal of the Chargor or any future trustee of the lease, appoint a new trustee or trustees in the Chargor's place.
- (iii) If the Property is a leasehold interest, the Chargor will, with respect to the lease, at the request of the Bank, but at the cost, charge and expense of the Chargor, grant and assign unto the Bank, or the person whom it may appoint, the last day of the said term hereinbefore excepted or any renewal or substituted term; and further, in the event of the Bank making any sale under the power of sale herein contained the Chargor shall stand seized and possessed of the Property for the last day of the said term hereinbefore excepted, and of any renewal or substituted term, and of all rights of renewal in trust for the purchaser or purchasers, his or their heirs, executors, administrators, successors and assigns.

(c) Costs of Sale of Property

The Costs of any sale proceedings hereunder, whether such sale proves abortive or not, incurred in taking, recovering or keeping possession of the Property or in enforcing the personal remedies under this Charge or by reason of non-payment or in procuring payment of the Indebtedness shall be payable by the Chargor whether any action or proceeding has commenced or not.

8. Appointment of Receiver

If the Chargor shall be in default in the observance or performance of any of the terms, conditions, covenants or payments described herein or in any additional or collateral security given by the Chargor to the Bank then the Bank may in writing, appoint any person, whether an officer or employee of the Bank or not, to be a receiver of the Property and the rents and profits derived therefrom, and may remove the receiver so appointed and appoint another in his stead. The term "receiver" as used in this Charge includes a receiver and manager. The following provisions shall apply to this paragraph:

- (a) The receiver so appointed is conclusively the agent of the Chargor and the Chargor shall be solely responsible for the acts or defaults and for the remuneration and expenses of the receiver. The Bank shall not be responsible in any way for any misconduct or negligence on the part of the receiver and may, from time to time, fix the remuneration of the receiver and be at liberty to direct the payment thereof from proceeds collected;
- (b) Nothing contained herein and nothing done by the Bank or by the receiver shall render the Bank a mortgagee in possession or responsible as such;
- (c) All monies received by the receiver, after providing for payment and charges ranking prior to this Charge and for all applicable Costs shall be applied in or towards satisfaction of the remaining Indebtedness;
- (d) The receiver so appointed shall have power to:
 - (i) take possession of the Property, collect rents and profits and realize upon additional or collateral security granted by the Chargor to the Bank and for that purpose may take any proceedings, be they legal or otherwise, in the name of the Chargor or otherwise;
 - (ii) carry on or concur in carrying on the business which the Chargor is conducting on and from the Property and for that purpose may borrow money on the security of the Property in priority to this Charge; and
 - (iii) lease all or any portion of the Property and for this purpose execute contracts in the name of the Chargor which said contracts shall be binding upon the Chargor;
- (e) The rights and powers conferred herein are supplemental to and not in substitution for any rights which the Bank may have from time to time.

9. Taking Possession of Personal Property

The Bank may distrain for arrears of any portion of the Indebtedness. The Chargor hereby waives the right to claim exemption and agrees that the Bank shall not be limited to the amount for which it may distrain.

10. Quiet Possession

Until default of payment the Chargor shall have quiet possession of the Property.

11. Release of Property by Bank

It is hereby agreed by the Chargor that the Bank may at its discretion at all times release any part or parts of the Property or any other security or any surety for the Indebtedness or any portion thereof either with or without any sufficient consideration therefor, without responsibility therefor and without thereby releasing any other part of the Property or any person from this Charge or from any of the covenants herein contained and without being accountable to the Chargor for the value thereof or for any money except that actually received by the Bank, it being expressly agreed that every part or lot into which the Property is or may hereafter be divided does and shall stand charged with the whole of the Indebtedness.

No extension of time given by the Bank to the Chargor, or any one claiming under the Chargor or any other dealing by the Bank with the owner or owners of the Property or of any part thereof shall in any way affect or prejudice the rights of the Bank against the Chargor or any other person liable for the payment of the Indebtedness or any portion thereof.

12. Payment of Other Charges and Performance of Other Obligations by Bank

The Chargor hereby agrees that:

- (a) The Bank may satisfy any charge now or hereafter existing or to arise or be claimed upon the Property and the amount so paid shall be added to the Indebtedness and bear interest at the Interest Rate and shall be payable forthwith by the Chargor to the Bank and in default of payment, the Indebtedness shall become payable and the powers of sale hereby given may be exercised forthwith without any notice. And in the event of the Bank satisfying any such charge or claim, it shall be entitled to all equities and securities of the person or persons so satisfied and it may retain any discharge or cessation of charge unregistered until paid; and
- (b) If the Property is a leasehold interest, and if the Chargor shall refuse or neglect to renew the lease or any renewals thereof granted hereafter, then, and as often as it shall happen, the Bank may, effect such renewals in its own name or otherwise, and every renewal of the lease and the Property thereby demised shall remain and be security to the Bank for the Indebtedness. All Costs in connection therewith shall be payable by the Chargor.

13. Sale or Transfer of Property by Chargor

The Chargor covenants and agrees with the Bank that:

- (a) The Chargor will not without the prior consent in writing of the Bank, sell, transfer or otherwise dispose of the Property or any portion thereof or any interest therein; and, in the event of such sale, transfer or other disposition, without the consent of the Bank, the Indebtedness hereby secured shall, at the option of the Bank, forthwith become due and payable; and
- (b) If the Property is a leasehold interest, no sale or other dealing by the Chargor with the lease or the Property or any part thereof or any other dealing by the Bank with the lease or the Property or any part thereof, shall in any way affect or prejudice the rights of the Bank against the Chargor or any other person liable to repay the Indebtedness hereby secured.

14. Charge Not a Substitute For Any Other Security

It is hereby expressly agreed by the Chargor that this Charge shall not create any merger, rebate or discharge of any debt owing to the Bank or of any lien, bond, promissory note, bill of exchange or other security held by or which may hereafter be held by the Bank, whether from the Chargor or any other party or parties whomsoever and this Charge shall not in any way affect any security held or which may hereafter be held by the Bank for the Indebtedness or any portion or portions thereof or the liability of any endorser or any other person or persons upon any such lien, bond, bill of exchange, promissory note or other security or contract or any renewal or renewals thereof held by the Bank for or on account of the Indebtedness or any portion or portions thereof nor shall the remedies of the Bank in respect thereof be affected in any manner whatsoever.

15. Judgments

The taking of a judgment or judgments against the Chargor on any of the covenants herein contained shall not operate as a merger of the said covenants or affect the Bank's rights to interest on the Indebtedness at the Interest Rate, and further that any such judgment may provide that interest thereon shall be computed at the Interest Rate until such judgment shall have been fully paid and satisfied.

16. Bank May appropriate Payments to Any Debt

It is hereby agreed that the Bank shall have the right at any time to appropriate any payment made as a temporary or permanent reduction of any portion of the Indebtedness whether the same be represented by open account, overdraft or by any bills, notes or other instruments and whether then due or to become due and may from time to time revoke or alter such appropriation and appropriate such payment as a temporary or permanent reduction of any other portion of the Indebtedness as in its sole and uncontrolled discretion it may see fit.

17. Charge Continuing Security

It is hereby agreed that this Charge may secure a current or running account and shall stand as a continuing security to the Bank for the payment of the Indebtedness and all interest, damages and Costs which may become due or payable to the Bank notwithstanding any fluctuation or change in the amount, nature or form of the Indebtedness or in the bills, notes or other obligations now or hereafter representing the same or any portion thereof or in the names of the parties to the said bills, notes or obligations or any of them.

18. Additional Covenants if Property is a Condominium Unit

The Chargor covenants with the Bank that:

- (a) The Chargor will promptly observe and perform all obligations imposed on the Chargor by the Condominium Act as enacted from time to time, and by the Declaration, the By-laws and the Rules, as amended from time to time, of the Condominium Corporation, by virtue of the Chargor's ownership of the Property. Any breach of the said duties and obligations shall constitute a breach of covenant under this Charge;
- (b) Without in any way limiting or restricting the generality of the foregoing:
 - (i) The Chargor will pay promptly when due any contributions to Common Expenses required of the Chargor as an owner of the Property;
 - (ii) The Chargor will transmit to the Bank forthwith upon the demand of the Bank satisfactory proof that all Common Expenses assessed against or in respect of the said Property have been paid as assessed;
 - (iii) The Bank may put out of and deduct from any advance of the Principal Amount secured hereunder all contributions to the Common Expenses assessed against or in respect of the said Property which have become due and payable and are unpaid at the date of such advance; and
 - (iv) Whenever and so long as the Bank so requires the Chargor shall on or before the date when any sum becomes payable by the Chargor in respect of Common Expenses pay such sum to the Bank. The Bank shall forthwith on receipt thereof remit all such sums to the Condominium Corporation on behalf of the Chargor or as the Condominium Corporation may from time to time direct;
- (c) The Bank by accepting delivery of and registering this Charge authorizes and empowers the Chargor to vote or consent or not to consent respecting all matters relating to the affairs of the relevant Condominium Corporation provided that:
 - (i) The Bank may at any time upon written notice to the Chargor and the Condominium Corporation revoke this authorization;
 - (ii) The Bank shall not be under any obligation to vote or consent or not to consent as aforesaid to protect the interest of the Chargor; and
 - (iii) The exercise by the Bank of its right to vote or consent or not to consent as aforesaid shall not constitute the Bank a mortgagee in possession.

19. Assignment of Rents

The Chargor hereby agrees with the Bank as follows:

- (a) The Chargor hereby assigns and sets over to the Bank all rents payable from time to time under all leases of the Property or any part thereof, whether presently existing or arising in the future, together with the benefit of all covenants, agreements and provisos contained in the said leases, in favour of the Bank;
- (b) Forthwith after making any lease of the Property or any part thereof the Chargor will execute and deliver to the Bank an assignment in registrable form in the Bank's usual form of all rents payable under such lease, the benefit of all covenants, agreements and provisos therein contained on the part of the tenant to be observed and performed and the reversion of such lease, and will also execute and deliver to the Bank all such notices and other documents as may be required in order to render such assignment effectual in law;
- (c) Nothing herein contained shall make the Bank responsible for the collection of rents payable under any lease of the Property or any part thereof or for the performance of any covenants, terms or conditions contained in any such lease;
- (d) The Bank shall not by virtue of these presents be deemed a mortgagee in possession of the Property;
- (e) The Bank shall be liable to account for only such rents as actually come into its hands less reasonable collection charges in respect thereof and may apply such rents to the repayment of the Indebtedness; and
- (f) Notwithstanding anything herein contained no lease of the Property or any part thereof made by the Chargor without the consent in writing of the Bank shall have priority over this Charge.

20. Interpretation and Headings

It is hereby agreed that wherever in this Charge the word "Chargor" is used the same shall extend to and include the heirs, executors, administrators, successors and assigns of the Chargor, and wherever in this Charge the word "Bank" is used the same shall extend to and include the successors and assigns of the Bank and wherever the singular or masculine is used the same shall be construed as meaning the plural or the feminine or the neuter where the context or the parties hereto so require. The headings do not form part of this document and have been inserted for convenience of reference only.

21. Condominium Act

If the Property is a condominium unit, this Charge is made pursuant to the Condominium Act.

This is Exhibit “H” referred to in the Affidavit of Sicheng Lou
sworn before me this 10th day of April, 2026



Commissioner for Taking Affidavits

Properties

<i>PIN</i>	03047 - 0057 LT
<i>Description</i>	PCL 19-6, SEC MA3 ; PT LT 19, CON 3 (MKM) , PART 1 , 65R18445 , MARKHAM
<i>Address</i>	388 MARKLAND STREET MARKHAM

Source Instruments

Registration No.	Date	Type of Instrument
YR2054122	2013 10 30	Notice Of Lease

Applicant(s)

The applicant applies for the entry of a notice of specific assignment of rents. The assignor(s) hereby assigns their interest in the rents under the interest specified.

Name	2139654 ONTARIO LIMITED
Address for Service	388 Markland Street, Markham, Ontario, Canada, L6C 1Z6

A person or persons with authority to bind the corporation has/have consented to the registration of this document.
This document is not authorized under Power of Attorney by this party.

Party To(s)

Name	THE TORONTO-DOMINION BANK
Address for Service	2 ST. CLAIR AVENUE EAST TORONTO ON M4T 2V4

Statements

Schedule: See Schedules

This document relates to registration number(s)YR3514237

Signed By

Michele Da Costa	900-3 Robert Speck Pkwy Mississauga L4Z 2G5	acting for Applicant(s)	Signed	2023 01 10
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Tel 905-276-9111
Fax 905-276-2298

I have the authority to sign and register the document on behalf of all parties to the document.

Michele Da Costa	900-3 Robert Speck Pkwy Mississauga L4Z 2G5	acting for Party To(s)	Signed	2023 01 10
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Tel 905-276-9111
Fax 905-276-2298

I have the authority to sign and register the document on behalf of all parties to the document.

Submitted By

KEYSER MASON BALL LLP	900-3 Robert Speck Pkwy Mississauga L4Z 2G5	2023 01 10
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Tel 905-276-9111
Fax 905-276-2298

Fees/Taxes/Payment

<i>Statutory Registration Fee</i>	\$69.00
<i>Total Paid</i>	\$69.00

Specific Assignment of Leases as Security

THIS ASSIGNMENT made this 10 January, 2023,

BETWEEN:

2139654 ONTARIO LIMITED, a corporation
incorporated under the laws of the Province of Ontario

(the "Assignor")

AND

THE TORONTO-DOMINION BANK

(the "Assignee")

WHEREAS:

1. The Assignor is the registered owner of the lands and premises (the "Lands") municipally known as 388 Markland Street, Markham, Ontario and described as PCL 19-6, SEC MA3 ; PT LT 19, CON 3 (MKM) , PART 1 , 65R18445 , MARKHAM being the whole of PIN 03047-0057 (LT)

2. The Assignor has demised and leased portions of the Lands by a lease or leases as described in Schedule "A" attached hereto (hereinafter individually referred to as a "Lease" and collectively as the "Leases") for the term and on the terms and conditions more particularly set out therein;

3. By Charge/Mortgage of Land registered the 10 day of January, 2023, as Instrument No. YR 3514237 , (the "Charge"), the Assignor did grant, mortgage and charge the Lands to the Assignee to secure the principal amount of Twenty-One Million Dollars (\$21,000,000.00) and interest and other moneys as set out in the Charge; and

4. As a condition of the Assignee making the loan secured by the Charge, the Assignor has agreed to enter into this Assignment as collateral security for the payment of the moneys secured by the Charge and for the performance by the Assignor of all of its obligations, covenants and agreements contained therein (such payment obligations and other obligations, covenants and agreements of the Assignor are hereinafter referred to as the "Obligations").

NOW THEREFORE THIS ASSIGNMENT WITNESSES that in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) the parties hereby covenant and agree as follows:

1. Assignment

(1) To secure the Obligations and the performance of the obligations, covenants and agreements contained herein, the Assignor hereby assigns to the Assignee all of the Assignor's right, title and interest, both at law and in equity, in and to the Leases and, without limiting the generality of the foregoing, the rents hereafter due or to become due under or in respect of the Leases, every right of renewal thereof, every guarantee and indemnity in respect thereof, and all other benefits and advantages to be derived from the Leases, and also the benefit of all powers, covenants and provisos contained in the Leases.

(2) Subject to the provisions hereof and to the provisions of the Charge, the Assignor may continue to exercise all of the rights of the landlord under the Leases (including the collection of rent, charges and other moneys) until such time as the Assignor defaults in the performance of

the Obligations or the performance of the Assignor's obligations, covenants and agreements contained herein which is continuing beyond any applicable cure period. The Assignor, however, covenants and agrees with the Assignee not to collect rent from any of the tenants other than at the times and in the manner provided in the Leases.

(3) Nothing contained herein shall be deemed to have the effect of deeming the Assignee to be a mortgagee in possession of the Lands or any part thereof or of making the Assignee responsible for the collection of the rents or any part thereof or for the performance of any of the covenants, terms and conditions to be performed by either the Assignor or the tenant contained in the Lease, and this Assignment shall not of itself create the relationship of landlord and tenant as between the Assignee and any tenant of the Lands.

2. Assignor's Covenants

(1) The Assignor hereby covenants and agrees to and with the Assignee that it shall not, without the prior written consent of the Assignee (such consent not to be unreasonably withheld):

- (a) cancel any of the Leases or accept surrenders thereof;
- (b) amend or modify any of the Leases, either orally or in writing, so as to decrease the term of the Lease, reduce the rent or diminish the obligation of the lessee with regard to the payment of additional rent, including taxes and insurance, or so as to increase the Assignor's obligation to make repairs;
- (c) consent to an assignment or subletting of the tenant's interest in any of the Leases; or
- (d) further assign, mortgage, pledge or hypothecate any of the Leases.

Any of these acts, if done without the prior written consent of the Assignee, shall be null and void.

(2) The Assignor represents, warrants and covenants that:

- (a) it has the full right, power and authority to make this Assignment and that the Leases have not been previously assigned, transferred, mortgaged, charged or otherwise encumbered;
- (b) the Leases are and shall be valid, subsisting and enforceable in accordance with their terms and have not been altered, modified, amended, terminated, cancelled, renewed or surrendered, nor have any of the terms and conditions thereof been waived in any manner whatsoever, except as approved in writing by the Assignee;
- (c) there are no defaults now existing under any of the Leases, and there exists no state of facts which, with the giving of notice or lapse of time or both, would constitute a default under any of the Leases;
- (d) it shall give prompt notice to the Assignee of any notice received by the Assignor claiming that a default has occurred under any of the Leases on the part of the Assignor, together with a complete copy of any such notice;
- (e) none of the rents payable during the terms demised by the Leases have been prepaid by the tenants (except as set out in the Leases), nor has the Assignor or anyone on its behalf received or collected any prepaid rents (except as provided in the Leases);

- (f) it shall not collect any rents under the Leases in advance, other than rents required to be paid in advance by the terms of the Leases; and
- (g) it shall, at all times, perform all of its covenants and obligations contained in the Leases, and any failure on the part of the Assignor thereunder shall be deemed to be a default under the Charge.

(3) The Assignor covenants and agrees not to assign or in any way encumber, pledge, sell or transfer the Leases to any person or corporation unless that person or corporation acknowledges, in writing, the priority of this assignment, in a form reasonably satisfactory to the Assignee.

3. Accounting for Moneys

Nothing contained herein shall be deemed to have the effect of requiring the Assignee to perform or enforce any of the covenants, terms or conditions contained in any of the Leases and the Assignee shall not, by virtue of this Assignment, be deemed a mortgagee in possession of the Lands. The Assignee shall be liable to account only for such moneys as may actually come into the hands of the Assignee by virtue of this Assignment, less proper collection charges (including reasonable compensation to any agent or employee as it shall select and employ), and that such moneys when so received by it shall be applied as follows:

- (a) firstly, to all payments made or incurred by the Assignee in connection with the management, operation, maintenance and repair of the Lands or any part thereof;
- (b) secondly, to all taxes, insurance premiums and every other proper expenditure made or incurred by the Assignee in respect of the Lands or any part thereof;
- (c) thirdly, in payment to the Assignee of payments due under the Charge; and
- (d) thereafter, any surplus remaining shall be accountable to the Assignor.

4. Indemnity

The Assignor shall reimburse, indemnify and save harmless the Assignee for and from any and all expenses, losses, damages and liabilities which the Assignee may reasonably incur in exercising any of the rights granted in this Assignment and shall indemnify and save harmless the Assignee from all actions, suits, costs, losses, damages and liabilities arising as a result of a default of the Assignor under the Leases.

5. Notice

Without prejudice to any other method of communication or of giving notice, any communication or notice required or permitted to be given hereunder to any party may be given by prepaid private courier or by facsimile transmission to such party at its address noted on the first page of this Assignment. Any such communication or notice given in such manner shall be deemed to have been received on the date of such delivery or transmission or, if received after 5:00 p.m. or if received on a day that is not a weekday (Monday through Friday) on which the Assignee is open for business (a "Business Day"), on the next Business Day following.

6. Miscellaneous

(1) This Assignment shall remain in full force and effect until all of the Obligations have been fulfilled by the Assignee and notwithstanding any amendment, variation, modification or change to the terms of the Charge. Upon registration of a good and sufficient discharge of the Charge, this Assignment shall cease to have any further force or effect.

(2) All remedies set out herein may be exercised from time to time separately or in combination and are in addition to and not in substitution for any other rights of the Assignee however created. No delay or omission on the part of the Assignee in the exercise of any of its rights hereunder shall operate as a waiver thereof.

(3) The Assignor covenants and agrees to execute such further assurances as may be reasonably required by the Assignee from time to time to perfect this Assignment.

(4) This Assignment shall be construed with such changes of number and gender as the context requires. All rights, advantages, privileges, immunities, powers and things hereby secured to the Assignee shall be equally secured to and exercisable by its successors and assigns. All covenants, liabilities and obligations entered into or imposed hereunder upon the Assignor or Assignors shall be equally binding upon its heirs, successors and permitted assigns. If more than one party executes this Assignment as Assignor, the obligations of each such party shall be joint and several. The term "successors", as used herein, includes any corporation resulting from the amalgamation of two or more corporations.

(5) If any term or provision contained in this Assignment or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Assignment or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Assignment shall be valid and enforceable to the fullest extent permitted by law.

(6) The Assignor hereby acknowledges receipt of a true copy of this Assignment.

[signature page to follow]

IN WITNESS WHEREOF the Assignor has executed this Assignment on the day and year first written above.

2139654 ONTARIO LIMITED

Per: 

Name: Baljit Sierra

Title: President

I have authority to bind the Corporation

Schedule "A"**Leases**

<u>Premises</u>	<u>Tenant</u>	<u>Date of Lease</u>
388 Markland Street, Markham, Ontario	Novo Plastics Inc.	March 31, 2008

THE TORONTO-DOMINION BANK
Applicant

- and -

NOVO PLASTICS INC. and 2139654 ONTARIO LIMITED
Respondents

Court File No. CL-26-00000153-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

APPLICATION RECORD – VOLUME I OF II

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